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Japan

Fuji Photo Criticizes U.S. Antidumping Tariffs

OW3103015194 Tokyo KYODO in English 0046 GMT 31 Mar 94

[Text] Tokyo, March 31 KYODO—Fuji Photo Film Co. on Thursday [31 March] criticized the U.S. Government's decision to impose stiff penalty tariffs on its color photographic paper sold in the United States.

Washington imposed tariffs of 360.95 percent Wednesday, based on a preliminary ruling by the Commerce Department that Fuji Photo Film was selling the products in the U.S. at less than fair market value. The decision stems from a petition filed by Eastman Kodak Co. of the U.S., charging the Japanese company with selling photographic paper in the U.S. at only a quarter of the prices it charges for identical products in Japan.

A Fuji Photo Film executive said, "it is Eastman Kodak that can decide prices in the U.S. market and we cannot understand the allegation that Fuji is dumping its products to harm the U.S. industry." Regarding the huge margin of the penalty tariffs, he said the way they were calculated was not clear.

As reasons for the lower prices of the products in the U.S., the official cited the yen's appreciation against the dollar, sales incentive rewards, and costs of other services for processing laboratories in Japan.

Tokyo To Voluntarily Limit Technology Transfer

OW3103051794 Tokyo KYODO in English 0424 GMT 31 Mar 94

[Text] Tokyo, March 31 KYODO—Japan will continue to restrict exports of technology to countries that are considered likely to be involved in regional conflicts, after the disbandment of Cocom [Coordinating Commitee for Multilateral Export Controls], the western monitoring body of sensitive technology exports, government officials said Thursday [31 March]. The officials of the Ministry of International Trade and Industry (MITI) said it is necessary to retain some curbs on technology which can be used for military purposes after Cocom dissolves.

They said the ministry will especially closely examine technology exports to countries which are likely to face future conflicts.

The Coordinating Committee for Multilateral Export Controls will conclude its 45-year-old history Thursday midnight, having been made redundant by the ending of the Cold War.

A more broadly-based, flexible organization will succeed the agency by October. In the meantime, each nation will voluntarily retain curbs similar to those that were previously in place.

The MITI officials said technology exports to North Korea, Libya, Iraq and Iran will be strictly controled, while curbs on shipments to former communist nations will be relaxed.

They also said Japan, the United States, and the European Union (EU) will resume discussions in late April on the details of the new system, for example studying which items are to be controlled.

MITI To Amend Export Control Order

OW3103152194 Tokyo KYODO in English 1436 GMT 31 Mar 94

[Text] Tokyo, March 31 KYODO—Japan is preparing to revise its export control order in April as the 17 members of Cocom [Coordinating Committee for Multilateral Export Controls], the Western agency to monitor sensitive technology and equipment exports, have agreed to terminate the organization on Thursday [31 March] midnight, the government said.

The revised cabinet order, however, will call for strict curbs on sensitive technology and equipment exports to North Korea, Libya, Iran and Iraq as in the case of the United States and main European states, Ministry of International Trade and Industry [MITI] officials said.

Curbs on shipments to former communist nations will be eased.

The amendment will retain the global export licensing system for the 113 items, covered by the list of the Coordinating Committee for Multilateral Export Controls (Cocom), in preparation for possible regional conflicts, the officials said. They include high-technology computers and machine tools.

Under the system, however, applications to export such goods will be basically approved instead of prohibited, in principle.

Confirmation of the final destination for shipments of sensitive technology and equipment has so far been mandatory for exporters. Such a requirement will be abolished.

However, the export of 20 highly sensitive items like decoders and high-technology machine tools, will continue to be subject to strict global controls, the officials said.

Big trading house officials said, however, that the relaxations would not bring about a rapid increase in shipments of ex-Cocom embargo items to former communist states. They said there will be no big demand for such items in such countries.

French Foreign Minister Juppe Arrives for Visit

OW3103052194 Tokyo KYODO in English 0504 GMT 31 Mar 94

[Text] Tokyo, March 31—French Foreign Minister Alain Juppe arrived at Narita Airport Thursday morning [31 March] for a four-day visit to Japan for talks with Japanese leaders. Juppe was invited by his Japanese counterpart Tsutomu Hata, Foreign Ministry officials said.

Juppe is scheduled to have talks with Hata Thursday night over North Korea's suspected nuclear development program, Japan-France relations and the situation in Europe and Asia, the officials said.

During his stay in Japan, the French foreign minister is also scheduled to meet Prime Minister Morihiro Hosokawa, Defense Agency head Kazuo Aichi, Finance Minister Hirohisa Fujii and International Trade and Industry Minister Hiroshi Kumagai.

Backs Bid for UNSC Veto Power

OW3103151894 Tokyo KYODO in English 1446 GMT 31 Mar 94

[Text] Tokyo, March 31 KYODO—French Foreign Minister Alain Juppe voiced support on Thursday [31 March] for Japan's bid for a permanent seat on the United Nations Security Council [UNSC] with veto rights, Foreign Ministry officials said. Juppe, who arrived in Japan earlier in the day for a four-day stay, expressed his support in a meeting with his Japanese counterpart Tsutomu Hata, the officials said.

Juppe said in a meeting with Hata it is necessary to enlarge the Security Council and the number of its permanent members to reflect the current world situation, they said. "In this context, it is natural for Japan and Germany" to acquire permanent seats, he was quoted as saying.

Juppe added that France does not want to create new categories for permanent members such as creating permanent members without veto power. "France wants to maintain the current system," he reportedly told Hata, adding it is necessary to enlarge the council but also to maintain its efficiency.

He also noted the need to take into account regional allocations when considering enlargement of the permanent members, the officials said. "In any case, France's position is flexible," Juppe was quoted as saying.

Juppe's remarks were the clearest support yet by a French Government official for Japan's bid for a permanent seat, according to the officials.

Hata said Japan would carry out its responsibilities within its capacity.

Turning to problems involving North Korea's alleged development of nuclear weapons, Juppe and Hata agreed on the need for the international community to take a firm stance to tackle the issue, the officials said. Juppe told Hata that France, which currently chairs the U.N. Security Council, considers the problem very important and is very concerned, they said.

Touching on the Asia-Pacific Economic Cooperation (APEC) forum, Juppe said France wants to have some kind of dialogue with APEC because it has close relations with the region, according to the officials. Hata replied that Japan thinks APEC should be open and wants to promote transparency of APEC's activities, the officials said.

Also during the meeting covering a wide range of topics, Hata urged France to continue to refrain from conducting nuclear tests, they said.

Legislators Join Signature Campaign for Burma

OW3103063594 Tokyo KYODO in English 0543 GMT 31 Mar 94

[Text] Tokyo, March 31 KYODO—A record number of Japanese Diet members have signed a letter to be sent to the UN chief calling for freedom for Nobel peace prize winner Aung San Suu Kyi and civilian rule in Myanmar [Burma], the Burmese Association in Japan said Thursday [31 March].

Of a total of 763 Diet members, 403 have already put their signatures to a petition to be sent to UN Secretary General Butrus Butrus-Ghali, the association said in a press release. Similar signature campaigns are being carried out in 108 countries around the world, it said.

A copy of the letter said the legislators will urge the United Nations to do all in its power to see that Suu Kyi and all political leaders are unconditionally released. It also called for a "swift and complete implementation of a transition to civilian rule."

The group hopes to receive 500 signatures of Diet members through the good offices of United Social Democratic Party leader Satsuki Eda by the time the letter is sent, said association president Win Naing.

This is the second such letter to Butrus-Ghali. The first plea by 374 Diet members was delivered to the secretary general's office in March 1993 by Eda.

Last April 422 Diet members urged the government to put pressure on Myanamr for Suu Kyi's release.

A founder of the National League for Democracy (NLD) which won the 1990 election by a landslide, Suu Kyi has been under house arrest since July 1989. She was scheduled to be freed next July but the ruling military junta extended her detention period for another year.

More Reportage on Visit of Bangladesh Leader

Zia Addresses Committee Meeting

BK3103031994 Dhaka Radio Bangladesh Network in English 0130 GMT 31 Mar 94

[Text] Prime Minister Khaleda Zia, now on an official visit to Japan, has urged that country to relocate in Bangladesh its industries which have become commercially disadvantageous. She was addressing the inaugural session at the seventh meeting of Bangladesh-Japan Committee for commercial and economic cooperation. Begum Zia said due to fast progress in technology and high labor cost some industries have ceased to be commercially viable in Japan. Bangladesh offers to host these relocations to the mutual benefit of both our countries. The prime minister said excellent bilateral political relations between the two countries (?naturally) translated into increasingly active and mutually beneficial economic cooperation, trade and tourism. She said the promising opportunities in Bangladesh for Japanese investors and entrepreneurs need to be materialized for the benefit of the two countries. Begum Zia drew the attention of the Joint Committee to the increased cooperation between the two countries in the fields of trade, investment and tourism.

Highlighting the present social-political conditions in Bangladesh, the prime minister said it has been able to establish social-political stability through democratically elected government. She said the present government is fully committed to further strengthening and broadening the democratic basis of the society.

Listing the success in the economic policies of the country, Begum Zia said international financial organizations, like World Bank and the IMF, have appreciated the economic policies of Bangladesh. She said increased food production, faster growth of export-oriented industries and the recent interest of foreign investors in Bangladesh testify to the soundness of nation's macroeconomic management. Begum Zia said in Bangladesh privatization is being encouraged through new policies and institutions. Bangladesh's economy is now thriving in the midst of market forces. The prime minister said liberalization of our trade has moved at a rate much faster than that of country's immediate neighbors. She said new opportunities have been created for foreign trade and investment. The prime minister said Bangladesh encourages the strong role for the private sector and strengthening its banking system and stock markets. The country's laws fully protect foreign investment. Begum Zia said the Joint Committee can play a further significant role in disseminating in Japan the relevant information on attractive investment opportunities in Bangladesh. She hoped the committee will continue to play a dynamic and innovating role in generating increasing interest among Japanese traders, investors and tourists of Bangladesh.

Zia Reiterates UNSC Seat Support

OW3103090194 Tokyo KYODO in English 0818 GMT 31 Mar 94

[Text] Tokyo, March 31 KYODO—Bangladesh Prime Minister Begum Khaleda Ziaur on Thursday [31 March] reiterated her country's support for Japan's "legitimate aspirations" for a permanent seat on the U.N. Security Council [UNSC]. Ziaur, speaking to reporters at the Japan National Press Club, said Japan deserves "a more effective institutional role" in the U.N. system in general and in the Security Council in particular by virtue of its status as an Asian "economic superpower."

The 48-year-old premier, one of only three women now serving as head of an Islamic country, said Bangladesh's support stems from its belief "that the leadership and positive posture of Japan are important for further strengthening the role of Asia in international relations."

Ziaur earlier made a considerably stronger declaration of support at a dinner banquet hosted by Prime Minister Morihiro Hosokawa on Tuesday, in which she told her host country, "We are totally behind you in your effort to be a permanent member of the Security Council."

In summit talks with Hosokawa on Tuesday, she was quoted as offering to drum up support for Japan's bid among other countries with which Bangladesh maintains close relations.

Ziaur told reporters that ties between Bangladesh and Japan are "excellent." Expressing appreciation for Japanese assistance, she noted that it has so far been aimed at supporting democratic progress, economic reforms and social development. In an implicit request for continued aid, especially grants, she added, "We expect continued Japanese support for social sectors such as primary and mass education, primary health care, poverty alleviation and environmental development."

Ziaur, who arrived in Tokyo on Monday for an official visit, is scheduled to return home via Osaka on Friday.

Hososkawa, Zia Issue Statement

OW3103062294 Tokyo KYODO in English 0602 GMT 31 Mar 94

[Text] Tokyo, March 31 KYODO—Prime Ministers Morihiro Hosokawa of Japan and Begum Khaleda Zia of Bangladesh issued a joint press statement Thursday [31 March] saying Zia's official visit to Japan has served to strengthen bilateral relations. The statement said that in summit talks on Tuesday, Hosokawa hailed Zia's efforts for democratization and economic development.

Zia outlined her government's achievements in consolidating democracy, implementing economic reforms and pursuing social and economic development, it said. She explained her policies aimed at alleviating poverty, creating rural employment and improving primary education and basic health care.

Zia expressed gratitude for Japan's economic assistance to date and for its new offer to cofinance a major bridge spanning the Jamuna River, which should serve to promote economic development in the northern areas of Bangladesh.

The statement said Hosokawa urged Bangladesh to take care to ensure that Japan's official development assistance (ODA) is implemented promptly and smoothly.

It said the two countries agreed to start negotiations on concluding a bilateral agreement concerning the encouragement and protection of investment.

Zia, who arrived in Japan on Monday for a five-day official visit, reconfirmed Bangladesh's support for the permanent membership of Japan on the UN Security Council, the statement said.

1993 Loans, Aid to Other Countries Reported

OW3103102494 Tokyo KYODO in English 1003 GMT 31 Mar 94

[Text] Tokyo, March 31 KYODO—Japan loaned more than 1 trillion yen to 27 countries in fiscal 1993, a senior Foreign Ministry official said Thursday [31 March]. It also provided a record high of 999 million yen in small-scale aid grants to 54 nations and one region, the official said.

Japan extended a total of 1.034 trillion yen in loans, down 13 percent from the previous fiscal year, the official said. Of the loans that covered 111 projects in 27 countries, 812 billion yen, or 80 percent, went to Asia, the official said.

Japan extended loans totaling 6.5 billion yen to Kyrgyzstan, making it the first Central Asian nation to receive Japanese yen loans. Japan also extended a 52.3 billion yen loan to Vietnam for the first time.

Yen loans for environmental projects reached 148.7 billion yen, the official said.

Japan's small-scale grassroots assistance to recipients such as nongovernmental organizations, medical and educational institutions was up 42.8 percent from the previous year.

The aid covered 258 projects in the educational, medical and environmental fields, the official said.

Yen's Strengthening Against Dollar Criticized

OW3103073494 Tokyo KYODO in English 0716 GMT 31 Mar 94

[Text] Tokyo, March 31 KYODO—A senior government official said Thursday [31 March] the yen's recent spurt against the U.S. dollar does not reflect the economic fundamentals of Japan. Hideaki Kumano, vice minister for administrative affairs at the Ministry of International Trade and Industry (MITI), also said the yen's advance will have a negative impact on both the Japanese and global economies.

The Japanese currency has steadily gained ground in recent sessions on speculation that Washington may talk up the yen to extract further concessions from Japan on stalled bilateral trade talks.

Nation To Import U.S., China, Australia Rice

OW2903120994 Tokyo KYODO in English 1107 GMT 29 Mar 94

[Text] Tokyo, March 29 KYODO—The Food Agency announced Tuesday [29 March] that Japan will import another 150,000 tons of rice from the United States, Australia and China by the end of August, to bring the total amount of emergency imports of the grain to 2.65 million tons this year.

The emergency step is aimed at making a sufficient supply of rice available to consumers in the preharvest period, agency officials said. Japan suffered the worst rice harvest in postwar days last year, necessitating the emergency imports.

The officials said blended rice will be sold at a ratio of 70 percent domestic rice to 30 percent imported rice from September, with domestic rice taking a dominant share compared with the 30-70 percent ratio expected in April through July.

From October, consumers are expected to buy domestic brands almost entirely, they said.

Electric Appliance Store To Stop Rice Sales

OW3003061394 Tokyo KYODO in English 0550 GMT 30 Mar 94

[Text] Tokyo, March 30 KYODO—An electric appliance discount chain store without a license to sell rice decided Wednesday to call off the planned rice sales next Sunday [3 April] after discussing the matter with the Food Agency and the Tokyo Metropolitan Government. "The three sides concluded the talks by deciding we should donate the rice," said Toshio Miyaji, president of the Tokyo-based Jonan Denki Co.

About 15 tons of rice the company has bought from farmers in Ogata, Akita Prefecture, will be donated to old people's homes with the Tokyo Metropolitan Government helping in its distribution.

Jonan Denki's store in Tokyo's Suginami ward sold rice last Sunday in defiance of the Food Agency's warning that selling rice without a government license is a violation of the Food Control Law. About 2,000 people lined up to buy about 12 tons of brand-name rice produced in Ogata.

The bad weather last year has made domestically grown rice scarce, and consumers have been queuing and paying high prices for domestic rice since February.

Yonehara: Money Received From Hosokawa Backer

OW3103040294 Tokyo KYODO in English 0332 GMT 31 Mar 94

[Text] Kumamoto, March 31 KYODO—The head of the Liberal Democratic Party (LDP) chapter in Kumamoto Prefecture has said he received 1 million yen in 1982 from a campaigner for Prime Minister Morihiro Hosokawa when Hosokawa ran for the governorship on the LDP ticket.

Kenshi Yonehara, head of the LDP's Kumamoto chapter, said in an interview that he does not know whether the money was part of the 100 million yen Hosokawa said he borrowed from the scandal-tainted Sagawa Kyubin Co. around that time. Yonehara said he received the money in December 1982 from a senior member of the chapter who had worked to put Hosokawa on the LDP ticket for the election in February the following year.

Yonehara said the 1 million yen was handed over after the LDP approved Hosokawa as its official candidate in the race, reversing the initial decision to field then Gov. Issei Sawada as the party's candidate. Hosokawa won the election and served for two consecutive four-year terms until February 1991.

Hosokawa has said that he borrowed the money in September 1982 to buy a condominium in central Tokyo and repair his home in the prefecture in western Japan, and repaid it by January 31, 1991. The premier has insisted there were no illegalities in the loan.

The LDP, ousted from 38 years of unbroken rule last August by the coalition administration of Hosokawa, and the Japanese Communist Party have been holding up debate on the budget in the Diet by demanding Hosokawa submit detailed documents on the loan.

The opposition has also demanded Hosokawa's former secretary testify before the Diet on the affair, which had stalled Diet deliberations on the fiscal 1994 budget for three weeks.

Tokyo Sagawa Kyubin Co., a now-defunct member of the Sagawa Kyubin group, was embroiled in a money scandal involving gangsters and political figures, including fallen LDP kingpin Shin Kanemaru, who was charged with tax evasion last March.

Hosokawa Reiterates Denial of 'Dubious' Deals

OW3103063494 Tokyo KYODO in English 0615 GMT 31 Mar 94

[Text] Tokyo, March 31 KYODO—Prime Minister Morihiro Hosokawa on Thursday [31 March] reiterated his denial of allegations that he obtained funds in a dubious way from a scandal-wrecked trucking firm and through stock transactions. Hosokawa was speaking at a meeting of the House of Councillors budget committee.

Answering questions from Tatsuo Shimizu of the Liberal Democratic Party (LDP), Hosokawa denied suggestions that he had not repaid 100 million yen he received in 1982 from the Sagawa Kyubin trucking group and that the money was not a loan but a secret political donation.

Hosokawa said he has collected as much evidence as he could and submitted it to the Diet. The documents he has submitted were enough to prove "the fact that I borrowed 100 million yen and repaid it," he said.

The premier has said he has lost the receipt for the loan repayment, and had the Sagawa Kyubin group submit related documents, including a photocopy of the receipt, to the Diet last December. Shimizu suggested the submitted documents are fakes.

Hosokawa said the fact that he had offered his vacation house in Yugawara, Kanagawa Prefecture, as collateral and later had the company return the collateral shows that he repaid the loan.

Shimizu, however, said collateral can be canceled upon an agreement between the lender and the borrower, thus a cancellation does not necessarily mean Hosokawa repaid the money.

The prime minister also denied allegations that he personally had a hand in the 1986 purchase of 300 shares of telecommunications giant Nippon Telegraph and Telephone Corp. (NTT). "Even supposing it was my deal, what's wrong with that?" the premier retorted, prompting uproar and a temporary halt in the Diet deliberations, which were held ostensibly to debate the fiscal 1994 provisional budget program.

Hosokawa has repeatedly told the Diet that the share transaction was conducted by his late father-in-law.

Stock consultant Shuzo Fujiki said Wednesday the NTT deal was Hosokawa's. The premier told the House of Representatives budget committee on Wednesday that he has never met, nor sought advice from, Fujiki.

Fujiki said he arranged a 418 million yen loan for a then aide of Hosokawa's from a stock investment company to help finance the purchase of 300 NTT shares in 1986, just after NTT went public.

According to Fujiki, the stock investment financing company agreed to allow Hosokawa to use the name of his father-in-law at the request of Hosokawa's Financial Secretary Masatoshi Miyama.

Shimizu asked the committee to summon Fujiki as a witness. He also reiterated demands to summon Miyama.

Hosokawa repeated his objection to summoning Miyama, saying such testimony may violate the human rights of the former secretary's family.

When Shimizu compared the Hosokawa allegations to the Whitewater scandal afflicting U.S. President Bill

Clinton and his wife, Hosokawa responded by saying that the political systems of the two countries are different.

Hosokawa commented that he is obliged to appear before the Diet, while the U.S. presidential system does not mandate comparable appearances by Clinton.

During the lunch break of the committee deliberations, Hosokawa denied to reporters the truth of a statement by the head of the LDP chapter in Kumamoto Prefecture who said he received 1 million yen in 1982 from a campaigner for Hosokawa's race for the prefectural governorship on the LDP ticket at the time.

Hosokawa came to power last August, promising change in Japan's money-driven politics. But his political foes in the Diet have been relentless in their attempts to prove his alleged involvement in a series of money scandals involving NTT, Sagawa Kyubin and other businesses and parties.

Hosokawa has rejected demands from the LDP and the Japanese Communist Party to produce more data pertaining to the Sagawa Kyubin affair and other related cases.

Candidates for BOJ Governor's Post Viewed

OW3103090094 Tokyo KYODO in English 0814 GMT 31 Mar 94

[By Kohei Murayama]

[Text] Tokyo, March 31 KYODO—Candidates with high English-speaking ability may have the edge when the new central bank governor is appointed in December, bank sources said.

Bank of Japan [BOJ] Governor Yasushi Mieno himself hinted that such language skill is one key element to fulfilling his post during Japan's growing role in the global financial scene, according to sources close to Mieno. Mieno's four-year term comes to a close on December 16.

A former senior Finance Ministry official said, "Mieno once told me that interpreters are available during official regular meetings of the BIS (the Bank for International Settlements) but not at such unofficial occasions as luncheons." The international organization based in Basel, Switzerland, acts as a bank for central banks of major industrialized nations.

"Without confidence in English ability, Mieno said that one becomes very tired after desperately listening and being concerned about missing important points," said the official who requested anonymity.

Meetings among the finance ministers and central bankers from the Group of Seven (G-7) major nations and financial leaders for the Washington-based International Monetary Fund and the World Bank are numerous. "Mieno attends meetings without interpreters case by case because he has a sufficient command of English," a BOJ source said. Mieno once served as the central bank director stationed in New York.

Indeed, many instances have proven that English conversation skill provides advantages to Japan in global monetary affairs. An international financial source said unofficial talks—rather, chatting—are important now that policy coordination has become the centerpiece at international gatherings, especially in sounding out one another's true intentions.

He also cited frequent round-the-clock contacts through telephone hot lines amid increasing cross-border dealings in currency and other markets.

For the past five terms, former vice finance ministers and career BOJ officials have taken turns filling the post of BOJ governor. As to the candidates most likely to succeed Mieno, recent Japanese press reports have narrowed down the list of four former vice finance ministers to two—Yasuo Matsushita and Yoshihiko Yoshino.

Informed sources said Matsushita, chairman of Sakura Bank, is tipped as the top candidate because Yoshino, president of the Japan Development Bank, maintains his stance on rejecting strong recommendations from some senior BOJ and Finance Ministry officials.

Matsushita, 68, served as vice finance minister—the ministry's highest post for career bureaucrats—for two years from June 1982. Yoshino, 63, assumed the post from 1986 to 1988.

In terms of a command in English, Matsushita is known for his superb ability among the four candidates.

Greenpeace Ship Arrives To Protest Reactor

OW3003085694 Tokyo KYODO in English 0742 GMT 30 Mar 94

[Text] Fukui, March 30 KYODO—Activists of the international environmental organization Greenpeace arrived Wednesday [30 March] aboard the patrol boat MV Greenpeace in Tsuruga, Fukui Prefecture, to protest the start-up of Japan's prototype fast breeder reactor Monju there.

During the 10-day port call at Tsuruga, Captain Arne Sorensen and 18 Greenpeace activists will inform local residents of the dangers Monju poses for the environment in videos and a photo exhibition on the boat, spokeswoman Etsuko Ikeda said.

The fast breeder operated by the governmental Power Reactor and Nuclear Fuel Development Corp. will soon reach what is called "criticality," the stage when a nuclear chain reaction is self-sustaining. Ikeda said Greenpeace estimates Monju will reach criticality on April 8.

The reactor, which uses a mixture of highly toxic plutonium and enriched uranium as fuel, will then produce 280,000 kilowatts of electricity.

In a recent report, Greenpeace warned that Monju "could explode like an atomic bomb, killing thousands and contaminating most population centers in Japan and neighboring countries."

Greenpeace also alleged that the Japanese Government is withholding important data on the safety risk posed by Monju. Noting that the original safety assessment for the fast breeder was undertaken over 10 years ago, Greenpeace called for a new safety review and a full environmental impact statement.

On its previous mission last October, the MV Greenpeace monitored nuclear waste dumped into the Sea of Japan by Russia and the former Soviet Union.

North Korea

Foreign Ministry Spokesman Discusses UN Debate

CM3103113694 Pyongyang Korean Central Broadcasting Network in Korean 1205 GMT 31 Mar 94

[Text] Pyongyang, March 31 (KCNA)—A spokesman for the DPRK Foreign Ministry today answered questions put by KCNA about the attempt of the United States to justify its campaign for pressure on the DPRK by distorting facts with the allegation that the DPRK did not allow a proper inspection for the continuity of safeguards.

[KCNA] The United States is now justifying its campaign for pressure on the DPRK with the allegation that the DPRK did not allow a full inspection by the International Atomic Energy Agency [IAEA]. Please tell me about the truth in detail.

[Spokesman] The United States is contending that the DPRK must accept a full IAEA inspection, alleging that the recent inspection of the DPRK's nuclear facilities by the IAEA was not satisfactory. But this is quite contrary to the fact.

We are in a unique status after a temporary suspension of the effectuation of our declared withdrawal from the nuclear Non-Proliferation Treaty (NPT) [haengmugi chonpabangji choyak taltoe hyorok palsaengul imsi chongjihan tuksuhan chiwie innun urinun]. So we are not obliged to accept a full inspection by the IAEA pursuant to the safeguards agreement. Moreover, we have never agreed with the United States and the IAEA on it.

We agreed with the United States and the IAEA only to an inspection for maintaining the continuity of safeguards.

When the scope of the IAEA inspection was agreed upon at the DPRK-U.S. contact in New York in late December last year, the sides promised that it should be a strictly limited inspection [chehan sachal] for the maintenance of the continuity of safeguards, not a routine and ad hoc inspection [chonggi mit pijonggi sachal] pursuant to the safeguards agreement.

At that time, the U.S. side asked the DPRK not to announce to the world that it would be a limited inspection to save its face.

At the New York contact in February, the U.S. side clarified its position that if an IAEA inspection was made, it would come out to the third round of talks with the DPRK, irrespective of the results of the inspection.

The United States which had promised a limited inspection and asked the DPRK not to open it to the public and stated it would have talks with the DPRK, irrespective of the results of the inspection, is now urging the DPRK to accept an additional inspection, charging that it refused to accept a full inspection by the IAEA pursuant to the safeguards agreement. This is a self-contradictory act.

This fully shows how faithless the United States is.

[KCNA] What does the United States really seek in reversing the DPRK-U.S. agreed conclusions and kicking up a row of pressure on the DPRK?

[Spokesman] I think it was motivated by the U.S. trite hostile policy toward the DPRK [kutaeuiyonhan taejoson choktaesi chongchaek].

Admittedly, we have honestly discharged our obligation according to the agreed conclusions reached between the DPRK and the United States at the New York contact.

The United States, however, had made false promises and it took no action in actuality.

Nevertheless, the United States is resorting to pressure on the DPRK and war provocation moves, alleging that the DPRK has failed to implement the agreement. How can it be construed otherwise?

As we have declared more than once, if the third round of the DPRK-U.S. talks had been held and the nuclear issue resolved in a package deal [haengmunjeui ilgwal tagyorani songsa toeoddoramyon], the IAEA's routine and ad hoc inspections of the DPRK would have been resumed and the exchange of special envoys between the North and the South would have been possible.

But the United States intentionally foiled the third round of the talks, which would be the key to the solution of the nuclear issue, setting unjustifiable preconditions. This clearly proves that the United States has no intention to resolve the nuclear issue through negotiation and it is only using the talks to stifle the DPRK and, further, promote its strategic interests in the Asia-Pacific region.

[KCNA] Now that we have undergone an inspection enough for the continuity of safeguards as we had agreed with the IAEA, the UN Security Council has no reason or justification to discuss our issue, does it?

[Spokesman] Of course not. The continued discussions of our issue at the UN Security Council under this situation only give the impression that the international organisation is courting the favor of a country.

And this may be a living example that even international organisations are used for the attainment of the U.S. egoistic aim.

The IAEA Secretariat made haste with the adoption of a "resolution" distorting the results of the inspection after carrying out the inspection of enough scope for the continuity of safeguards, and now the UN Security Council is discussing our issue. All this is manipulated behind the scene by the U.S.-led forces to stifle [apsal] the DPRK.

If the UN Security Council follows the United States, it will seriously harm its authority as an international organistion whose lifeblood is impartiality.

If the UN Security Council truly wants to discharge its mission, it must not argue about the DPRK, the victim, but argue about the acts of the United States, the assaulter, and put pressure on it.

If the UN Security Council, departing from the principle of impartiality, defends the United States, the assaulter, for the reason that it is a big power and puts unwarrantable pressure upon the victim for the reason that it is a small country, the small countries will no more trust the United Nations.

The UN Security Council must not be used as a rostrum for putting unreasonable pressure upon the DPRK over the nuclear issue.

[KCNA] What measures are needed in your opinion for paving the way for a solution to the nuclear issue?

[Spokesman] The United States must no more pursue a hostile policy toward Korea, first of all.

Since the nuclear issue on the Korean peninsula was caused by the U.S. policy to stifle our system, as mentioned above, if it is to be solved, the United States must take measures first for removing the nuclear threat to us and giving up the hostile policy.

Still today when the nature of its anti-DPRK moves has been brought to light, the United States is resorting to the row of pressure against us, calling for UN "resolution" and the like. This cannot be justified with anything.

The South Korean authorities must ponder over the lot in which they would find themselves while running about reckless, not knowing their position as now.

The United States must sincerely implement the agreed conclusions reached at the contact with us.

It is a violation of the DPRK-U.S. agreed conclusions and a mockery of our sovereignty for the United States to demand a full inspection of the DPRK by the IAEA and the exchange of special envoys between the North and the South, not implementing its own obligations at all.

Pressure can never be a way of the solution of the problem but it only makes the situation complicated.

It is nonsensical to urge us to accept an additional inspection since we have already accepted, fairly and squarely [chongjong tangdanghage], an inspection of a scope enough for the continuity of safeguards according to our agreement with the United States and the IAEA.

If the United States continues to misuse [agyong] our sincere efforts to resolve the nuclear issue, we would no longer pin hope on the DPRK-U.S. talks and will counter [massonagal gosida] any pressure to the end.

But if the United States put a stop to the international pressure campaign against the DPRK and proceed with the reestablishment of the foundation of the DPRK-U.S. talks we would not oppose a negotiated solution to the issue through negotiations.

Consistent is our position to resolve the nuclear issue through dialogue.

The future developments and a peaceful solution to the nuclear issue entirely depend on the attitude of the United States.

UN Security Council Urged To Observe Impartiality

SK3103114794 Pyongyang KCNA in English 1119 GMT 31 Mar 94

[Text] Pyongyang, March 31 (KCNA)—Now that we have undergone an inspection enough for the continuity of safeguards as we had agreed with the IAEA, the United Nations Security Council has no reason or justification to discuss our issue, declared a spokesman for the DPRK Foreign Ministry today.

The continued discussions of our issue at the U.N. Security Council only give the impression that the international organisation is courting the favor of a country and this may be a living example that even international organisations are used for the attainment of the U.S. egoistic aim, the spokesman said.

Answering questions put by KCNA about the attempt of the United States to justify its campaign for pressure on the DPRK with the allegation that the DPRK did not allow a proper inspection for the continuity of safeguards, the spokesman went on:

If the U.N. Security Council truly wants to discharge its mission, it must not argue about the DPRK, the victim, but argue about the acts of the United States, the assaulter, and put pressure on it.

If the U.N. Security Council, departing from the principle of impartiality, defends the United States, the assaulter, for the reason that it is a big power and puts unwarrantable pressure upon the victim for the reason that it is a small country, the small countries will no more trust the United Nations.

The U.N. Security Council must not be used as a rostrum for putting unreasonable pressure upon the DPRK over the nuclear issue.

In order to pave the way for a solution to the nuclear issue, the United States must no more pursue a hostile policy toward Korea, first of all.

Since the nuclear issue on the Korean peninsula was caused by the U.S. policy to stifle our system, if it is to be solved, the United States must take measures first for removing the nuclear threat to us and giving up the hostile policy.

It is nonsensical to urge us to accept an additional inspection, the spokesman said, and went on:

If the United States continues to misuse our sincere efforts to resolve the nuclear issue, we would no longer pin hope on the DPRK-USA talks and will counter any pressure to the end.

But, if the United States put a stop to the international pressure campaign against the DPRK and proceed with the reestablishment of the foundation of the DPRK-USA talks, we would not oppose a negotiated solution to the issue.

Radio Notes 21-30 Mar U.S. 'Aerial Espionage'

SK3103015194 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 30 Mar 94

[Text] The U.S. imperialists dared [kamhaeng] to conduct a series of aerial espionages on the northern half of the republic. According to military sources, an RC-135 strategic reconnaissance plane, which flew to the sky above South Korea from the U.S. imperialists' overseas base on 28 March, made a sortie to the sky above the areas near the Military Demarcation Line [MDL] and ran wild in taking aerial photographs and electronic reconnaissance on the strategic centers [chollyakchok chungsimjidaedul] of the northern half of the republic while making repeated shuttle flights between east and west. The strategic reconnaissance plane has conducted aerial espionage more than 10 times since the beginning of March.

Meanwhile, from around 1700 [0800 GMT] to 2400 [1500 GMT] on 29 March, a U-2 high-altitude strategic reconnaissance plane made night flights in the skies above the areas adjacent to Oeyon Islet, Yangpyong, and Yangyang and ran amok in aerial reconnaissance on the entire area of the northern half of the republic.

On 9 and 15 March, three of the high-altitude strategic reconnaissance planes made 24-hour alternate flights around the sky above the areas near the MDL and were frenzied with aerial espionage.

Aerial espionage by the U.S. imperialists has been intensified concurrently with their full-scale military confrontation commotion [chonmyon kunsajok taekyol sodong] against us since 21 March, the date on which the third round of DPRK-U.S. talks had been scheduled.

On 24 March, the U.S. imperialists dared to conduct aerial espionage on the northern half of the Republic by deploying five RC-12's, four RV-1 Army tactical reconnaissance planes, two U-2 high-altitude strategic reconnaissance planes, and two EH-60 electronic-warfare helicopters day and night in the sky above South Korea. On 26 March, they also ran amok in aerial espionage on our side by flying seven RC-12 Army tactical reconnaissance planes in the sky above the areas near the MDL.

The frequency of such aerial espionage on the northern half of the republic by the U.S. imperialists during the period from 21 to 30 March totaled over 90 times. The total frequency in March amounted to 234 times, 40 more than that of February.

Various facts clearly show how the U.S. imperialist are running wild with blood-shot eyes in the preparatory maneuvers for a war of aggression against the northern half of the republic.

Article Cited Condemning U.S., ROK Military Moves

SK3103105694 Pyongyang KCNA in English 1050 GMT 31 Mar 94

["Grave Provocations Driving Situation to Brink of War"—KCNA headline]

[Text] Pyongyang, March 31 (KCNA)—If the U.S. imperialists and the South Korean puppet clique dared ignite a war against us, our people and People's Army would deal a thousand-fold retaliatory blow at them, declares NODONG SINMUN in a by-lined article today.

The situation of the Korean peninsula is now being brought to the brink of war by the new war provocation moves committed by the U.S. imperialists and the South Korean puppet clique to stifle our Republic, the article says, and goes on:

The U.S. imperialists have brought the nuclear-powered carrier Carl Vinson near the Korean peninsula and deployed a naval fleet of 30 warships including two carrier task forces on the waters within a reach of 24 hours from the Korean coast for the resumption of the "Team Spirit" joint military exercises.

Meanwhile, a Patriot missile battalion involving 40 odd missile launching pads and over 800 troops left Texas for South Korea on the order of U.S. President Bill Clinton.

Availing itself of this situation, the Kim Yong-sam puppet clique has become all the more undisguised in its criminal war moves against the North.

The Kim Yong-sam group ordered all the puppet forces on to "a special alert" to keep them "prepared to attack the North," crying for "a tough reaction" against the North and "full preparations to invade the North through a cooperative system" with the United States. The puppets went so far as to make public a war plan against the North dubbed "New Operation Plan No. 5027."

The U.S. imperialists and the Kim Yong-sam puppet clique have staged very provocative and dangerous war gambles which might develop to a real war any time on the ground and in the air and the sea almost every day.

The danger of war on the Korean peninsula is imminent and real.

The U.S. imperialists intend to keep hold on South Korea indefinitely as their colony and, with it as the bridgehead, dominate the North of Korea and the rest of Asia. Intolerable are the crimes of the U.S. imperialists, who are trying to turn the Korean peninsula into the theatre of a thermonuclear war for their aggressive goal and of the Kim Yong-sam group, which is acting the shock brigade in executing their policy of aggression and war, courting their favor.

Our people and People's Army do not want a war. But they are not afraid of it.

SPA Statement Blasts South for Blocking Visits

SK3003152094 Pyongyang Korean Central Broadcasting Network in Korean 1335 GMT 30 Mar 94

[Text] In connection with the fact that the South Korean authorities' obstruction maneuvers have blocked [chadan] former presidents and premiers and high-ranking politicians of various countries of the world from visiting Pyongyang through Panmunjom, a spokesman for the Reunification Policy Committee of the DPRK Supreme People's Assembly [SPA], on 30 March, issued the following press statement [tamhwa]:

Press statement by a spokesman for the Reunification Policy Committee of the DPRK SPA:

At a time when numerous envoys of friendship from the five continents of the world are continuously visiting our country with the festive day of April [Kim Il-song birthday] on the horizon, former presidents and premiers and high-ranking politicians of various countries of the world who had attended the Second World Peace Conference expressed their hope to us a while ago that they would visit Pyongyang through Panmunjom. They were approximately 100 distinguished political activists from various continents of the world: They include approximately 30 former heads of state or government of various countries, including former Costa Rican Presidents Rodrigo Carazo and Mario Echandi, former Sudanese President Abdel Rahman Sowar el Dahab, former Sudanese Premier El Katim el Kalifa, former Zambian President Kenneth David Kaunda, former Guyanese President Desmond Hoyte, and former Canadian Governor General Edward Schreyer. They also include current and former high-ranking politicians from India, Bangladesh, Nepal, Thailand, and other Asian countries; Egypt, Lebanon, Jordan, and other Middle East countries; France, Spain, Norway, and other European countries; and Brazil, Argentina, Chile, and Latin American countries. They also include high-ranking politicians from the United States.

This large high-level foreign peace delegation expressed its intention to visit Pyongyang, know better the reality of our country, and extend their support to and solidarity with our people's efforts for peace in the country and its reunification. We made preparations to receive them as envoys of peace and friendship and had our side's area of Panmunjom opened. We did so because we treasure peace on the Korean peninsula and its peaceful reunification and welcome the intention of the former presidents and premiers and renowned high-ranking politicians from various countries and their activities for peace in the world.

However, the foreign delegation's visit to Pyongyang through Panmunjom could not take place because of the South Korean authorities' obstruction.

At the 28 March Panmunjom contact of joint duty officers [jigilgwan] of the Military Armistice Commission, the opposing side [taebang] said that the foreign delegation's plan to visit Pyongyang through Panmunjom had been canceled.

At a news conference that was held in Seoul prior to this, the foreign delegation announced that they could not visit Pyongyang because the South side did not approve of the visit and expressed its dismay and regret for this. They also told us that they were very thankful for the DPRK for inviting them to visit Pyongyang through Panmunjom and extending kind hospitality to them and that there would surely come an opportunity for them to pay such visits.

We cannot but think that it is regrettable that the large high-level foreign delegation for peace in the world could not visit Pyongyang.

The South Korean authorities prevented the foreign delegation from visiting Pyongyang by blocking [pongswae] the South side's area of Panmunjom. This is an uncourteous act lacking international courtesy or morality [kukchejok yeuido todokto morunun muryehan haengwi].

The South Korean authorities prevented the approximately 100 former presidents and premiers and renowned high-ranking politicians from visiting Pyongyang. This cannot be construed otherwise than an act of restraining the intention of the foreign delegation and its activities for peace in the world.

The just activities for independence, peace, and friendship by the dignitaries of the world must be respected as a matter of course.

They blocked the world peace delegation, not the dissidents [pancheje insa] who are restricted [kyujedoen] under South Korea's National Security Law, from even passing through Panmunjom under an unjustifiable pretext. This shows the National Security Law is fully applied [kudaero chogyongdoego] to foreign envoys, as well.

What cannot be overlooked with regard to the South Korean authorities' recent act is an act of wrongfully misusing [kuruttoege agyong] the visit to Pyongyang by the foreign delegation in North-South confrontation. As has already been known, the South Korean authorities unilaterally broke up [kyollyol] the contact of working-level delegates for the exchange of top-level special envoys of the North and South, froze all North-South dialogue, and are bringing the situation to the brink of war.

The South Korean authorities had kicked up large-scale commotions with regard to southward aggression [namchimsodongul taedaejoguro irukyo], thus making people uneasy; made public a plan on a war of northward aggression called New Operation Plan 5027; and openly cried for achieving reunification after prevailing over communism. They more loudly babbled [ttodurotta] about this [achieving reunification after prevailing over communism] when foreign delegations' visits to Pyongyang resumed.

As was shown, they created an extreme crisis in the situation [kuktanhan chongsejok wigi] in the face of the foreign envoys and asked them to cancel their plans to pass through Panmunjom and visit Pyongyang under the pretext of such a crisis. This is a disgusting, mean act [hyomogamul chaanaenun].

With regard to this, voices of denunciation are raised among media at home and abroad, including an English-language paper, THE ASIAN WALL STREET JOURNAL. Reporting that the South Korean authorities are at a loss because the issue of the large foreign peace delegation's visit to Pyongyang was raised [namchoson tanggukchaduli taekyumoui oeguk pyonghwa sajoltanui pyongyang pangmun munjega chegidoende taehayo maeu tanghokhae hagoittago hamyonso]. The papers wrote that South Korea's national unification minister hastily canceled its permission for the international delegations' visit to Pyongyang, changing its former stance.

The papers exposed that the national unification minister's negative stance created an obstacle to the plan by the delegation—which is made up of former heads of state, politicians, and policymakers—to visit Pyongyang by crossing the Military Demarcation Line.

It is a matter of course that the world's fair media will protest the South Korean authorities' rude acts of blocking the foreign peace delegation's visit to Pyongyang as disregarding basic international manners.

The South Korean authorities blocked the foreign peace delegation's visit to Pyongyang for another reason: They were afraid that the quite different realities of the North and the South would be known to the world public.

If the delegation had visited Pyongyang, it would have clearly seen that, under Korean-style socialism centered on the popular masses where the leader, the party, and the masses are single-heartedly united, all the people are leading an independent and creative happy life with no worries about food, clothing, and housing; are stepping up peaceful economic construction not preparations for a war; and are aspiring for a reunified Korea, contrary to what the South Korean rulers advertise.

Contrary to this, South Korea's various kinds of rotten, ailing social evils that prevail under the present civilian rule, which stakes its fate on outside forces, will be strikingly revealed in contrast to the North.

If one sees the true faces of South Korea, where a powder-reeking war fever is all the more instigated, and our republic, where peaceful construction is pushed ahead everywhere, he will clearly know who truly wants peace and reunification, and who pursues war and national division. This is what the South Korean authorities are afraid of.

The third party will clearly see that South Korea is the one that is a secluded society, which the South Korean authorities babble about, and that the South Korean authorities are the ones who attempt to perpetuate the national division by erecting an immense concrete wall across the entire area of the Military Demarcation Line that extends approximately 240 km.

Truth and lies are bound to be revealed. As one cannot hide sunshine with hands, the South Korean authorities can never cover our republic's external status, which is winning victory after victory, by blocking the international delegation's visit to the North.

The South Korean authorities should no longer commit rude acts of damaging the nation's prestige, which is known as a country of courteous people in the East, running against the aspiration of the fellow countrymen and the world's peace-loving people.

We will always keep the door open for the foreign delegation who, with a good intention, wish to visit Pyongyang to do good things for the peaceful reunification of the Korean peninsula.

[Signed] Spokesman for the Reunification Policy Committee of the DPRK SPA

[Dated] 30 March, Pyongyang

Radio Reports ROK Premier's Public Alert Order

SK3103002294 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 28 Mar 94

[Text] The puppet prime minister showed up at the "Seoul City Police Office" on March 27 and ordered it to "maintain a perfect public peace and alert posture", according to a radio report from Seoul.

On March 26, while making a round of frontline units of the puppet Army, he incited war fever for a northward invasion, crying for a flawless "posture for countermove".

Facts that have been revealed show that the South Korean puppets are getting more frenzied with the passage of time in driving North-South relations to a phase of confrontation and war [taekyolgwa chonjaeng kungmyon].

Hanminjon Issues Paper on ROK Nuclear Program

SK3103153594 Pyongyang KCNA in English 1525 GMT 31 Mar 94

[Text] Pyongyang, March 31 (KCNA)—The Central Committee of the South Korean National Democratic Front [Hanminjon] published a white paper headlined "Heavy Water Reactor and Multipurpose Research Reactor Are for Nuclear Arms Development" on March 30, which says that the atomic reactors used for the development of nuclear weapons on the Korean peninsula are not the experimental reactor of North Korea but the heavy water reactor in Wolsong and the multipurpose research reactor in Taedok, South Korea.

The white paper notes:

The Wolsong heavy water reactor is a plutonium-producing reactor introduced for nuke development. It is not a reactor for commercial use but one for the development of nuclear weapons in view of its structure.

The multipurpose research reactor now in operation in Taedok nuclear complex is advertized not to be related with nuke development, but it is one of the key reactors exclusively for nuclear development in South Korea.

Nevertheless, the International Atomic Energy Agency, making a noisy fuss about the experimental reactor of North Korea, has overlooked the heavy water reactor and multipurpose reactor of South Korea which are for military purpose and whose capacities are scores of times and several times that of North Korea. IAEA has not disclosed as yet the result of inspection of these nuclear facilities of South Korea.

The South Korean authorities must, first of all, give up the nuclear development policy and destroy the heavy water reactor and the multipurpose reactor that are used for the production of nuclear weapons.

ROK Dissident Reported Seeking Repeal of NSL

SK3103103094 Pyongyang KCNA in English 1003 GMT 31 Mar 94

[Text] Pyongyang, March 31 (KCNA)—The Rev. Kim Song-pok, chairman of the Independent Reunification Committee of the Inchon Federation for Democracy and Reunification of the Fatherland in South Korea, called for the repeal of the "National Security Law" (NSL) and the legalization of the National Alliance for the Country's Reunification (Pomminnyon).

In an article contributed to HANGYORE SINMUN on March 16, he urged the puppet authorities to scrap the NSL, an anti-reunification evil law, and send back to the North old men Kim In-so and Ham Se-hwan, who have been kept in prison in South Korea for refusing to be converted after they were arrested during the Korean war (June 25, 1950- July 27, 1953).

He also demanded that the authorities legalize the Pomminnyon, not branding it as an "organization benefitting the enemy", and guarantee the activation of the civilian reunification movement.

Church Groups Urge ROK To Oust Kim Yong-sam

SK3003233494 Pyongyang KCNA in English 1505 GMT 30 Mar 94

[Text] Pyongyang, March 30 (KCNA)—The Korean Religionists Association (KRA) held an enlarged meeting here today calling on the South Korean religious organizations, clergymen and believers to take a resolute action for overthrowing the Kim Yong-sam regime of flunkeyist traitors for the reunification of the country in the 90s.

The meeting discussed measures concerning the refusal of the Kim Yong-sam puppet clique to allow the joint celebration of the centenary of the Kabo (1894) Peasants War by Chondoists in the North and the South. It was attended by members of the KRA and officials of the Central Guidance Committee of the Korean Chondoists Association, the Central Committee of the Korean Buddhists Federation, the Central Committee of the Korean Christians Federation and the Central Committee of the Korean Roman Catholics Association.

A relevant resolution and a letter to the South Korean religious organizations, clergymen and believers were adopted at the meeting.

The letter said the Kim Yong-sam regime's anti-national acts in blocking all the contacts and travel between the North and the South and the joint commemoration by the North and the South of the centenary of the peasants war, an anti-feudal, anti-aggression mass struggle of the nation, could never be justified and tolerated.

It noted that if such an anti-national group as the Kim Yong-sam clique, which takes no account of the nation and ancestors, were left in the country, neither the peace of the Korean peninsula nor the independent and peaceful reunification of the country could be expected and there would be only a nuclear holocaust.

It called on the South Korean religious organizations, clergymen and believers who love the country and the nation and hope for national reunification to decisively break with the Kim Yong-sam regime and join in the struggle for the establishment of a genuine independent, democratic government.

Dailies Report 'Political Surveillance' in South

SK3103103394 Pyongyang KCNA in English 1016 GMT 31 Mar 94

["Intelligence Surveillance of 'Civilian Government'"—KCNA headline]

[Text] Pyongyang, March 31 (KCNA)—It has been brought to light recently in South Korea that the rulers set up three watch posts around the house of former Chairman of the Democratic Party Kim Tae-chung in Seoul in 1979 to keep an eye on his every movement and have continued surveillance till today.

Papers here today say this act of the Kim Yong-sam group has proved that political surveillance over politicians is as vicious and persistent as under the military "regimes", though it claims a "civilian government" has been established in South Korea.

An analyst of NODONG SINMUN notes:

It is a serious matter that the traitor Kim Yong-sam continues vicious political surveillance over civilians, though he committed himself to build "a society where human rights are respected" and "stop intelligence surveillance" when taking the "presidential" seat.

With the traitorous Kim Yong-sam clique and such notorious intelligence tools as the "Security Planning Board" and the "secret affairs command" left alone, the South Korean people cannot evade being targets of intelligence surveillance.

A MINJU CHOSON commentary stresses that if human rights and democracy are to be guaranteed and the people are to live in peace in South Korea, all the political charlatans like the traitor Kim Yong-sam who stirs up horror and uneasiness and resorts to terrorism and plots must be removed.

Japanese Bid for Permanent UNSC Seat Condemned

SK3103054294 Pyongyang KCNA in English 0529 GMT 31 Mar 94

["Japan Not Qualified To Be UNSC Permanent Member'—KCNA headline]

[Text] Pyongyang, March 31 (KCNA)—The Democratic Socialist Party, one of the seven ruling parties of Japan, Monday in its political platform for 1994 declared it would push for permanent membership in the UN Security Council (UNSC) as well as give its wholehearted support to UN operations, including peacekeeping activities, the KYODO News Service reported.

The Japanese authorities have revealed their intention to become a permanent member of the UN Security Council more than once.

It is an unbiased view of the international community that Japan has no justification and elementary qualification to seat itself at a responsible post of the United Nations.

It is ridiculous of Japan, a criminal state which provoked World War II, to seek UNSC permanent membership while having yet to atone for the unpardonable crimes and cleanse its dishonor as "enemy state" specified in the UN Charter.

Moreover, it is a reckless act for Japan to seek permanent membership while being criticised by unbiased public opinion for its grave threat to peace and security in Asia and its obstructions to the denuclearization of the Korean peninsula through the promotion of its nuclear armament on the pretext of the "nuclear issue" of the DPRK.

In trying to gain a permanent seat in the UNSC, Japan pursues the purpose of increasing its political say in the international arena, act a "leading state" and establish a "world order" militarily favorable for it.

The Japanese reactionaries must discard the foolish daydream, liquidate its past first of all and immediately renounce their scheme to convert Japan into a military power and arm it with nuclear weapons.

Conference of Party Cell Secretaries Opens

WPK Secretary Delivers Report

SK3103045894 Pyongyang KCNA in English 0444 GMT 31 Mar 94

["Report at National Conference of Party Cell Secretaries"—KCNA headline]

[Text] Pyongyang, March 31 (KCNA)—Kim Ki-nam, secretary of the Central Committee of the Workers' Party of Korea [WPK], delivered a report under the title "Let Us Make All Party Cells Militant Organisations Remaining Intensely Loyal to the Party and the Leader and Defending and Exalting the Cause of Socialism" at the national conference of party cell secretaries, which opened here today.

The report says:

The current conference initiated by the dear leader Comrade Kim Chong-il is a historic meeting, the first of its kind ever since the founding of the Workers' Party of Korea. It will powerfully demonstrate the revolutionary faith and unshakable will of the entire party cell secretaries and party members to remain loyal to the party and the leader and accomplish the cause of socialism without the slightest vacillation under the complex situation; it will also mark a radical turning point in further strengthening the WPK into an invincible party and accelerating the general march of Korean-style socialism.

Through a long-drawn-out arduous yet glorious struggle, the WPK has been strengthened into a tested veteran party with great revolutionary exploits and rich experience and a powerful revolutionary party that can defend and carry to completion the revolutionary cause of chuche, the cause of socialism and communism, through storm and stress.

The great leader Comrade Kim Il-song said in his letter of congratulations to the delegates to the current conference:

"The foundation of our party and its development are inconceivable apart from the development of its cell, the basic party organization."

The party cells, the basic organisations of the party and militant units directly implementing the party's line and policy, have played a very important role in strengthening the WPK and victoriously advancing the Korean revolution.

The great leader Comrade Kim Il-song formed the grassroots organisations of the party and expanded them before founding the wpk, a revolutionary party of chuche type, and strengthening it.

The work of strengthening the party cells as required by the party's chuche-based idea of its building has been promoted more dynamically in the gigantic undertaking to model the whole party and society on the chuche idea under the outstanding and tested guidance of the dear leader Comrade Kim Chong-il.

"On letting the party cell discharge its duty of effectively guiding the activities of the party members," "the party cell must properly organise party assignments and review them in time," "let us strengthen the unity and cohesion of the party members in ideology and purpose based on the revolutionary idea of the leader" and other works published by the dear leader in the early 1960s have served as a highly important guideline in improving the work of the party cells and the activities of the party members.

The dear leader declared the modelling of the whole society on the chuche idea the supreme programme of the WPK and laid down the policy of modelling the whole party on the chuche idea in the 1970s, and guided the party cells to effectively train the party members into ardent communist revolutionaries of chuche type who are intensely loyal to the party and the leader and uphold the leadership of the party centre with loyalty, to meet the new requirement of the development of the party and the revolution.

The national short course for party cell secretaries held in may 1991 marked a significant milestone in strengthening the party cells.

Over the last three years, all the party cells and their secretaries have worked hard to make their cells unfailingly loyal to the party and the leader in hearty response to "let us strengthen the party cells," the historic letter sent by the dear leader to the participants in the short course.

The members of tens of thousands of party cells sent letters to the dear leader, pledging to follow the party wholeheartedly and remain loyal to the revolutionary cause of chuche to the last, and are carrying their pledge into practice.

The party cells have made vigorous efforts to implement the party's military line of self-reliant defence to the letter, greatly contributing to the increase of defence capabilities of the country to smash any formidable enemy at one blow.

They are devotedly working to consolidate the single-hearted unity of the leader, the party and the masses, the source of the invincible might of our socialism.

All the party members and people, closely rallied behind the party and the leader in one mind and purpose, breathe the breath of the party's idea and will, speak the way the party does, and march as one at the command of the party.

The WPK has been strengthened into an ever-victorious revolutionary party deeply rooted among the broad masses and the party and people have won victory after victory in the political and military confrontation with the enemy hell- bent on stifling the cause of socialism. Lurking behind this are the devoted efforts and hidden feats of all the party cell secretaries.

Hundreds of thousands of party cells secretaries who are intensely loyal to the party and the leader and devote everything to the country and the people are valuable beings of our party and revolution. Our party and people are highly proud of having these excellent party cell secretaries.

The reporter elaborated on the tasks for a vigorous march toward the final victory of the revolutionary cause of chuche, the cause of socialism, saying:

If all the party cells are to become militant organisations remaining intensely loyal to the party and the leader and defending and exalting the cause of socialism, they must thoroughly fulfill the five major tasks of party cells advanced by the great leader Comrade Kim Il-song in his letter of congratulations to the delegates to the current conference as well as the highly important tasks set forth by the dear leader Comrade Kim Chong-il in his historic letter to the participants in the national short course for party cell secretaries in May 1991 "let us strengthen the party cells."

All the party cells must continue to maintain it as the keypoint of its work to establish the system of the unitary leadership of the party, and wholeheartedly uphold the party's leadership with loyalty and filial piety, cherishing deep in mind the high pride and honour of having the dear leader as the centre of unity, the centre of leadership and the supreme commander of the revolutionary Armed Forces.

The party cells must establish a revolutionary habit of unconditionally accepting and fully implementing the instructions of the great leader and the dear leader and the party's line and policy, their embodiment, and train all the party members to be iron walls and rifles and bombs to resolutely defend the party and the leader politically, ideologically and with their lives under whatever condition and circumstance.

The party cells and their secretaries must educate all the party members and other working people to maintain high revolutionary vigilance against the war provocation moves of the U.S. imperialists and the South Korean puppet clique and make full preparations to firmly defend the socialist motherland and the gains of the revolution under any unexpected circumstance.

Kim Il-song Sends Letter

SK3103051894 Pyongyang KCNA in English 0512 GMT 31 Mar 94

["President Kim Il-song Sends Letter to Delegates to National Conference of Party Cell Secretaries"—KCNA headline]

[Text] Pyongyang, March 31 (KCNA)—The great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, sent a letter of congratulations today to the delegates to the national conference of party cell secretaries.

President Kim Il-song in the letter said the conference would mark an important milestone in strengthening and developing our party into an unconquerable party and fortifying the bulwark of socialism in our country, by enhancing the function and role of the party cells.

He further said:

Our party is a glorious party which has grown up from deep historical roots. It is a revolutionary party of chuche which, guided by the chuche idea, struggles for the popular masses' cause of independence.

The foundation of our party and its development are inconceivable apart from the development of its cell, the basic party organization. In view of the cell's very important place and role in party building and party activities, we have consistently paid a close attention to strengthening party cells and other grassroots organizations ever since the days when its foundation was prepared.

In accordance with the policy adopted at the historic Kalun meeting in 1930, we conducted the work of founding the party by forming the basic organizations first and then increasing and strengthening them. Since its foundation, our party expanded its ranks by recruiting advanced elements from among workers, peasants, intellectuals and other working people, and organized its cells in factories, enterprises, farm villages and in all other places where there were its members and the masses, and strengthened the militant function of its cells to meet the actual requirements at each stage of the revolution. Through the strengthening of the cells and the enhancement of their function and role, our party grew into an invincible party which achieved the unity and cohesion of its ranks on the basis of the chuche idea and became a harmonious whole with the popular masses.

In the period when the historic task of modelling the whole society on the chuche idea came to the fore, our party put great efforts into the work of cementing its cells to meet the requirements of a new, higher stage of the revolution. After the training course held at the proposal of the Central Committee of the party for the party cell secretaries from all parts of the country in 1991, a vigorous movement was launched to create loyal party cells throughout the whole party under the slogan, "Let us make all the party cells loyal cells ", and their militant function and role have been enhanced as never before.

Today, the party cells are performing their noble mission and duties with credit in further developing the party into a revolutionary party of chuche and carrying on and promoting the chuche revolutionary cause.

The brilliant successes in our party building and in the development of our revolution are associated with the silent efforts and exploits of the party cell secretaries. With a high sense of pride and revolutionary awareness that they are the junior political workers of the glorious Workers' Party of Korea, the cell secretaries have devoted their all to the struggle for the party and the revolution, wishing for neither honour nor reward.

The most important revolutionary task now facing our party and our people is to safeguard and defend the people-centred socialism of our own style from the challenge of the imperialists and reactionaries and develop it further.

The socialism which has been established in our country by implementing the chuche idea under our party's leadership is a genuine socialism which accords with the people's aspirations to independence. Whether or not we defeat the enemy's manoeuvres, and defend the socialist cause of chuche and accomplish it depends on how we strengthen the party, the general staff of the revolution, and how we enhance its leadership role.

Party cells are the cornerstones of our party as well as the revolutionary posts which guard our socialism. They are the base for training party members into revolutionaries and assimilating them to the working class, the base for linking party members with its Central Committee and establishing unbreakable ties between the party and the masses, and the base for mobilizing its membership and other working people for the implementation of the party's lines and policies.

Strengthening party cells is precisely an important guarantee for increasing the motive force of our party and our revolution and firmly defending and developing our socialism.

All the party cell secretaries must, with a high sense of responsibility and honour, train their cells to be unfailingly loyal to the party, to be militant cells which powerfully organize the masses for the struggle to defend and develop the cause of socialism.

The party cells must, above all else, loyally support the unified leadership of the party Central Committee.

Ensuring the unity of leadership in the party is the fundamental principle of party activity. Loyally supporting the undivided leadership of the party Central Committee is the lifeblood of the party cells.

Today the cause of our party, the chuche revolutionary cause, is honourably carried on under the leadership of Comrade Kim Chong-il who possesses excellent personality and qualities as the people's leader. Our party has successfully solved the question of ensuring the continuity of leadership to meet the requirement of revolutionary development and the desire of the popular masses. This is the success in which our party can take the greatest pride in its development; this firmly guarantees a bright future and a brilliant victory of our party and our revolution.

All the party cells must keep the main line of effort to establish the monolithic system of party leadership. The cells must accept the party's lines and policies, its decisions and instructions unconditionally and carry them out; they must educate and lead the party members and other working people to be unfailingly loyal to party leadership.

Party cells must be efficient in organizing and guiding the party life of its members.

The party cells must intensify organizational and ideological life of the party members to train all of them into staunch revolutionaries who are unfailingly loyal to the party and the revolution and can unyieldingly fight for the victory of the socialist cause in any adversity.

The party cells must improve work among the masses and unite broad sections of them firmly behind the party.

The party cells must efficiently work among the masses to give revolutionary education to broad sections of them and rally them closely behind the party Central Committee and make an active contribution to strengthening the single-hearted unity of the whole society.

Party cells must push ahead with the ideological, technical and cultural revolutions to effect uninterrupted innovations and upsurge in socialist construction.

Regarding the ideological revolution as their first and foremost revolutionary task, party cells must intensify education in the chuche idea among the party members and working people.

We should bring them to cherish an unfailing loyalty to the party, staunch revolutionary spirit, unshakable faith in socialism, ardent patriotism and noble moral traits, and bring into fuller bloom in our society the beautiful communist morality of helping and leading each other forward and sharing weal and woe on the principle of one for all and all for one.

Party cells must make a great effort to carry out the cultural revolution so that all the party members and working people learn hard and strive to thoroughly improve their cultural and technical standards steadily and enjoy to their hearts' content the socialist cultural life, with rich emotional feelings and a high cultural attainment.

Party cells must strengthen organizational and political work to make sure that the party members and working people accelerate the technical revolution and make innovations in building the socialist economy.

For the present the party cells in all sectors of the national economy must effect a fresh, revolutionary advance in building the socialist economy by organizing the party members and working people effectively for the implementation of the party's revolutionary economic strategy.

Party cells must always pay deep attention to national defence.

We are striving to build socialism in sharp confrontation with the enemy. The imperialists and their lackeys are now daily intensifying military threats and provocations against our republic, the bulwark of socialism.

Party cells must see to it that the party members and working people sharpen their revolutionary vigilance against the enemy's manoeuvres of aggressive provocation, learn military affairs in real earnest, and make full preparations for defending the security of the country and the socialist gains reliably. Party cells must encourage the party members and working people to display fully the traditional traits of unity between the army and the people and ensure that the Army and the people, as one, defend the socialist motherland firmly.

First, to support the unified leadership of the party Central Committee with loyalty, second, to organize and guide party life effectively to train all the party members into the revolutionaries of chuche type, third, to do work with the masses efficiently to strengthen the blood-sealed ties between the party and the masses, fourth, to expedite the three revolutions in ideology, technology and culture to promote socialist construction, and fifth, to defend the security of the country and the socialist gains reliably—these are the five major tasks party cells must tackle at present.

All the party cell secretaries must adhere to these five tasks and carry them out to the letter.

Editorial Hails Meeting

SK3103054894 Pyongyang Korean Central Broadcasting Network in Korean 2300 GMT 30 Mar 94

[NODONG SINMUN 31 March editorial: "The Meeting of Party Cell Secretaries of the Entire Party Which Will Record a Brilliant Chapter in the History of Our Party"]

[Text] The meeting of party cell secretaries of the entire party will be convened, beginning today, amid the great interest and expectation of all the people. Our party cell secretaries are our party's core elements who assume responsibility for the basic infrastructural organizations of our party and primary political functionaries who are directly organizing and leading the party life of party members.

Today, the combat capability of our party cells has increased; our party is demonstrating its dignity of being an ever-victorious and invincible party; and the single-hearted unity of the leader [suryong], the party, and the masses are strengthening with each passing day. This is thanks to the unheralded efforts of party cell secretaries.

Today, all party members and the working people throughout the country sincerely rejoice over and extend warm congratulations to the fact that party cell secretaries of all various sectors—who have actively contributed to strengthening and developing our party and to accelerating the revolution and construction, cherishing infinite loyalty to the great leader [widaehan yongdoja], by enhancing the function and role of party cells—gather at one place to convene the historic meeting.

The meeting of party cell secretaries of the entire party is a meeting which is held for the first time in the history of our party and is of great significance in strengthening and developing our party into an ever-victorious and invincible party and in consummating the socialist cause of chuche.

The dear leader Comrade Kim Chong-il has indicated: Party cells occupy a very important position in strengthening and developing the party and in vigorously advancing the revolution and construction.

The meeting will become a signicant meeting which marks a new turn in constantly strengthening and developing our party into an impregnable fortress and in enhancing by all means its combat capability and leadership ability.

Party cells are the cornerstones holding up the party and are the lowest level of combat units implementing the party's line and policy. A man becomes healthy only when the cells which form his body are strong and healthy. Likewise, only when party cells which form the party are sound and their function and role are high can the party become strong. Strengthening party cells becomes an important factor in strengthening the entire party.

Today, our party is taking pride in its existence as a party of impregnable fortress, which is unprecedented in history. This is because all party cells forming our party have been firmly built and their combat capabilities are strong.

In the glorious history of our party there has been no period in the past in which party cells grew up and strengthened and the party strengthened like today when the dear comrade leader's great party building ideology and theory are being thoroughly embodied.

Through the current meeting of party cell secretaries of the entire party the wisdom of leadership of the dear comrade leader who has always paid deep interest to enhancing party cells' combat function and role will be vigorously demonstrated and, at the same time, all party members and the working people will more firmly cherish in their hearts the firm faith that as long as the dear comrade leader is with them our party can take pride in its dignity of being an ever-victorious party forever.

With the current meeting as an occasion the struggle to enhance the function and role of party cells and the outstanding successes and experiences attained in the work with the masses of all strata will be generalized widely and the work to build all party cells into cells of loyalty will be more vigorously waged among party organizations at all levels. Thus, the current meeting will make a great contribution to further strengthening our party's might and to deepening all means the single-hearted unity of our revolutionary ranks.

The meeting of party cell secretaries of the entire party under the wise leadership of the party and the leader, is a historical meeting which is greatly significant in its struggle to resolutely advocate, adhere to, and complete, to the end, socialism of our own style which has been elucidated and obtained with blood.

Socialism of our own style, which our people chose themselves and built with their own strength by highly upholding the banner of the great chuche idea, is the most superior socialism in this world. As shown in countries where socialism was frustrated and capitalism reinstated, there can only be bitter pains, twists, and turns, and a wretched fate for the people who have lost socialism.

The road to defending and elucidating socialism lies in first, second, and third, strengthening the working-class party—the general staff of the revolution—and endlessly enhancing its leadership role. To achieve this, the party cell—the primary-level infrastructural organizations—must be strengthened. The party cell must be strong so that the party can be strong, and the party must be powerful so that socialism can vigorously advance in whatever hardships and without the slightest wavering.

How to thoroughly embody all lines and policies of the party to highly manifest the superiority and might of socialism and to change them into a great reality, are largely dependent on the role of the party cells who are the primary-level militant unit in implementing the party's policy.

The meeting of party cell secretaries of the entire party is a meeting of faith and will that shows our party's firm determination to strengthen the party and all the more enhance the function and role of the party organizations to smash [chitbusigo] all kinds of antisocial and antirepublic maneuvers by the imperialists and reactionaries and complete socialism of our own style to the end.

As long as the imperialists and reactionaries drive the situation to a brink of war and viciously carry out the reckless provocative maneuver opposing our republic, our party cell secretaries will defend to the end, socialism of our own style through the might of single-hearted unity firmly united around the dear comrade leader. The voice of faith of our party cell secretaries will resound vigorously throughout the meeting.

At the meeting, our party's firm determination and will displayed on the road to advocate, adhere to, and elucidate socialism without the slightest wavering and the magnificent spiritual world of the members of the Workers' Party of Korea, who are endlessly loyal to socialism, will be manifest itself vigorously and the revolutionary struggle trait and way of life will dominate the whole party and society all the more.

The meeting of party cell secretaries of the entire party will become a meeting that has epoch-making significance in the struggle to bring about a new upsurge in socialist construction by thoroughly implementing our party's revolutionary economic strategy. The meeting of party cell secretaries of the entire party will enhance the role of the party organizations at all levels and party cells to vigorously call forth all the party members and workers in the struggle to implement the party's revolutionary economic strategy.

Through this meeting, the political work and work with the people will be carried out all the more vigorously at all working places of socialist construction where our party cells, party members, and workers are at work, and the justness and vitality of our party's method in which it firmly gives priority to ideology and revolution will manifest itself wholly.

Therefore, the revolutionary spirit of self-reliance and fortitude in all fields of socialist construction will manifest itself further, and an infinite number of new miracles and feats will be created.

The meeting of party cell secretaries of the entire party will be brilliantly recorded in our party's history as a meeting of loyalty and filial piety enabling the party members and working people to become true loyalists and dutiful children, a meeting of our party and people's belief and will to complete socialist cause to the end with single-hearted might, and a meeting of the grand march to effect a revolutionary upsurge in socialist construction.

The meeting of party cell secretaries of the entire party is a proud meeting that could only be held in our country where the historic cause of building an ever-victorious iron party upholding the great leader [suryong] and the great leader [yongdoja] has been most brilliantly achieved.

The respected and beloved leader Comrade Kim Il-song has led the cause of the construction of our party straight to a single road of victory during the long period from his early days of revolution until today. During those days, he has consolidated brilliant and immortal achievements of the century.

In our country, the historic cause of grounding the party's historical root and founding the party was achieved by the great leader, and the endlessly rich and lofty chuche lineage of our party was also established by the great leader.

Our party, which was founded and fostered by the great leader Comrade Kim Il-song, has been able to more vigorously demonstrate its dignity and might by upholding the dear leader Comrade Kim Chong-il at the fore.

The dear leader Comrade Kim Chong-il is a great leader [widaehan yongdoja] of the working class of our time for achieving the cause of party construction. The dear comrade leader plainly set forth unique party construction ideology and theories for building an ever-victorious party and brilliantly solved all theoretical and practical problems rising from enhancing the function and role of the party cells.

Particularly, the dear comrade leader's immortal work "Let Us Strengthen the Party Cells" released on 10 May 1991 has great historical significance. Valuable guidelines have been provided for better fostering the party cells as a combat organization endlessly loyal to the party and the leader [suryong] due to the release of the immortal work, which is a synthesis of the fundamental questions of bringing up the party members as loyalists and dutiful children, organizing and giving guidance concerning party life, carrying out work involving the masses well, and of enhancing the role of the party cell secretaries.

The ideological theory explained in the work is acquiring more vitality day after day due to its correctness and truth. Without the tested leadership of the dear comrade leader, who has always shown a great interest in strengthening and developing the party cells, we cannot talk about our party being strengthened and developed into a strong and mighty party consisting of hundreds of thousands of cells with strong combat capabilities, and we cannot imagine the party cell secretaries being loved and respected by the people while excellently fulfilling their roles as the core of our party.

That is why the participants of today's meeting of party cell secretaries of the entire party, and all the party members and working people are paying their utmost honor to the dear comrade leader, who has strengthened and developed our party as an impregnable fortress, and are filled with firm resolution to share, to the end, the party's destiny, in any storm.

Today, we are faced with the task of enhancing the party's leading role, smashing [chitpusida] all kinds of antisocialist maneuvers of the imperialists and reactionaries, and completing, to the end, the chuche revolutionary cause in conformity with the demand of the developing reality. To carry out the weighty and honorable task, all cells that comprise our party should excellently carry out their own functions and roles. "Let us make all the party cells loyal cells." This is an important slogan being put up by our party today, and this is the core task to be advocated by party organizations of various levels.

On the occasion of the meeting of party cell secretaries of the entire party, the party organizations at each level must effect a new upsurge in the struggle of implementing the party's such slogan. Today, our party members' sense of loyalty and dutifulness to the party and the leader [suryong] are very high.

All party members are living and working in a revolutionary manner by cherishing a firm determination that they want to become rifles and bombs in the course of resolutely safeguarding the leader [yongdoja] of the revolution and are overflowing with conviction of going through fire and water for a struggle to implement the party's policy.

The party cells must glorify every moment of their lives with loyalty by cherishing in their hearts a high sense of dignity and pride that they are always the party members of the glorious WPK led by the dear leader Comrade Kim Chong-il. They must properly lead the party members to fully play a role, as the vanguard fighters, in the revolution and construction.

The might of our party and socialism of our own style is the might of the single-hearted unity of the leader [suryong], the party, and the masses and, with this, we should vigorously carry out our revolution. This is an important purpose of this meeting.

On the occasion of the meeting, the party organizations at each level must actively carry out the work of an ideology and indoctrination among the party members and working people and lead them to fight on for the leader [yongdoja] at the risk of their lives by having a firm position and viewpoint that their boundless happiness, future, and socialist fatherland exist because there is always the dear comrade leader.

Along with this, all sectors and units must always firmly continue on the alert in conformity with the demands of the present situation. Also, they must lead all party members and working people to live and work with an invincible faith and revolutionary obligation, just like the anti-Japanese revolutionary fighters who resolutely safeguarded the respected and beloved comrade commander and the heroic combatants who protected the hill of the fatherland at the risk of their lives by keeping their pledge of loyalty made to the great leader [suryong] at the general meeting of party cell during the harsh Fatherland Liberation War.

A long time has passed since the first party organization was formed in period of the dawning of the Korean revolution. During this period, our party cell has been developed and strengthened more strongly.

Our party is great and our revolution's final victory is certain because it has the vigorous party cells, which have a combatant capacity that cannot be found in any places, in either its loyalty to the leader [yongdoja] or its function or role.

All of us must hasten the independent reunification of the fatherland and the complete victory of socialism by continuously making an innovation and by moving forward, thus cherishing deep in their hearts the great dignity and pride of embarking upon the road of the party's guidance—invincible and ever-victorious—under the leadership of the great leader [yongdoja].

O Chin-u, Others Present

SK3103091494 Pyongyang Korean Central Broadcasting Network in Korean 0500 GMT 31 Mar 94

[Excerpts] The national meeting of party cell secretaries opened at Pyongyang Gymnasium on 31 March. [passage omitted]

Seen on the rostrum were Comrade O Chin-u, member of the Presidium of the WPK Central Committee Political Bureau and minister of the People's Armed Forces; Comrade Kang Song-san, member of the Political Bureau of the Workers' Party of Korea [WPK] Central Committee and premier of the State Administration Council [SAC]; Comrades Yi Chong-ok, Pak Song-chol, and Kim Yong-chu, members of the Political Bureau of the WPK Central Committee as well as vice presidents; Comrade Kim Yong-nam, member of the Political Bureau of the WPK Central Committee and vice premier of the SAC as well as minister of foreign affairs; Comrade Choe Kwang, member of the Political Bureau of the WPK Central Committee and chief of the General Staff of the Korean People's Army; Comrades Kye Ung-tae, Chon Pyong-ho, and Han Song-yong, members of the Political Bureau of the WPK Central Committee as well as secretaries of the party Central Committee; Comrade

So Yun-sok, member of the Political Bureau of the WPK Central Committee and responsible secretary of the South Pyongan Provincial Party Committee as well as chairman of the South Pyongan Provincial People's Committee; Comrade Kim Chol-man, candidate member of the Political Bureau of the WPK Central Committee; Comrade Choe Tae-pok, candidate member of the Political Bureau of the WPK Central Committee and secretary of the party Central Committee; Comrade Choe Yong-nim, candidate member of the Political Bureau of the WPK Central Committee and vice premier of the SAC; Comrade Yang Hyong-sop, candidate member of the Political Bureau of the WPK Central Committee and chairman of the Supreme People's Assembly; Comrade Hong Sok-Hyong, candidate member of the Political Bureau of the WPK Central Committee and chairman of the State Planning Committee; Comrade Yon Hyong-muk, candidate member of the Political Bureau of the WPK Central Committee and responsible secretary of the Chagang Provincial Party Committee as well as chairman of the Chagang Provincial People's Committee; Comrades Kim Chung-nin, So Kwan-hui, Hwang Chang-yop, Kim Ki-nam, Kim Kuk-tae, and Kim Yong-sun, secretaries of the WPK Central Committee; exemplary party cell secretaries; and responsible functionaries of central and local party organizations. [passage omitted]

Party Leaders Attend

SK3103152294 Pyongyang KCNA in English 1517 GMT 31 Mar 94

[Text] Pyongyang, March 31 (KCNA)—A national conference of party cell secretaries has opened at the Pyongyang indoor stadium today.

It is the first conference of this kind in the history of the Workers' Party of Korea (WPK). It is a significant conference proving the validity and vitality of the WPK's chuche-oriented line of party building, a conference of loyalty and single-hearted unity demonstrating the revolutionary faith and unshakable will of the members of the WPK to accomplish the cause of socialism, closely united around the party and the leader.

A portrait of the great leader President Kim Il-song is placed on the platform of the meeting hall against the background of the flag of the WPK.

The conference is attended by party cell secretaries and party officials in the capital and local areas, more than 10,000 in all.

Present there are O Chin-u, member of the Presidium of the Politburo of the C.C. [Central Committee], the WPK; Kang Song-san, Yi Chong-ok, Pak Song-chol, Kim Yong-chu and other Politburo members and alternate Politburo members, secretaries of the C.C., the WPK and leading party officials in the capital and provinces.

Kye Ung-tae, Politburo member and secretary of the C.C., the WPK, conveyed a letter of congratulations sent by President Kim Il-song to the delegates to the conference.

Secretary of the C.C., the WPK Kim Ki-nam delivered a report at the conference.

Then, a congratulatory group of the Korean children's union entered the meeting hall and read its congratulatory letter to the conference.

Speeches were made.

The conference continues.

Article Cites Kim Chong-il Work on Chuche Idea

SK3103110294 Pyongyang KCNA in English 1044 GMT 31 Mar 94

[Text] Pyongyang, March 31 (KCNA)—NODONG SINMUN today dedicates an article titled "Great Encyclopedia Giving Integral Systematization of Chuche Idea" to the 12th anniversary of the publication of the dear leader Comrade Kim Chong-il's historic work "On the Chuche Idea" (March 31, 1982).

The author of the article says:

The dear leader's work "On the Chuche Idea" is an immortal work which consummates in an integral system the principles and contents of the chuche idea on a profound scientific and theoretical basis; it is a great encyclopedia of the chuche idea which enriches the chuche idea with a wealth of new ideas and theories.

The greatness of the ideological and theoretical exploits of the dear leader is, first of all, that he established in an integral system a true world outlook of the era of independence with the popular masses placed in the centre.

The dear leader Comrade Kim Chong-il said:

"The chuche idea is a new philosophical thought which centres on man."

In the work, the dear leader gave a unique exposition that man is a social being with independence, creativity and consciousness and, on this basis, systemized in an integral way the chuche outlook on the world with the popular masses placed in the centre.

The philosophical principle of the chuche idea that man is the master of everything and decides everything gives a scientific exposition of the position and role of man in the world on the basis of his essential characters. The socio-historical principles of the chuche idea clarify from a new angle the essence, character and motive force of the socio-historical movement with the popular masses as the driving force.

As clarified in the work, the philosophical world outlook of chuche unifies the view of the world focussing on man and the man-centred viewpoint and stand toward the world; the socio-historical outlook of chuche closely combines the view of the socio-historical principles and law centred on the popular masses, the makers of history, with the viewpoint and stand approaching historical development and social revolution with the popular masses placed in the centre.

Thus, the chuche idea convinces the masses of people that they are responsible for their own destiny and enables them to discharge their duty and role as masters in the revolutionary struggle and constructive work to transform nature, society and man.

The dear leader's scientific exposition of the essential characters of man and systematization of the world outlook of chuche with the popular masses placed in the centre are immortal exploits in that they bring into bolder relief the main features, uniqueness and advantages of the chuche idea that broke a new ground in the development of mankind's outlook on the world, and provide the popular masses with a powerful weapon to transform the world positively and actively.

The greatness of the dear leader's ideological and theoretical exploits is also that he enriched the chuche idea so that it may serve as a powerful weapon in the practical efforts to shape the destiny of the popular masses.

In the work, the dear leader, basing himself on a scientific analysis of the founding and development of the chuche idea and the rich practical experience of the Korean revolution, elucidated the guiding principles in the revolutionary struggle of the popular masses to transform nature and society.

The guiding principles of the chuche idea—maintaining the independent stand, applying the creative method and placing the main stress on ideology in the revolution and construction—make it possible to firmly defend, embody and give full play to the independence, creativity and consciousness of the popular masses in the revolutionary struggle and constructive work so that they can positively transform nature and society and actively shape their own destiny.

The integral systematization and consummation of the chuche idea in conformity with its main features and ideal by the dear leader are an immortal exploit in making the chuche idea more famous than before as a flawless system of scientific and logical ideas and theories and a great guiding idea of the time with a new, unique composition and contents. This was an epoch-making event which provided the first perfect revolutionary world outlook of the working class in human history.

Architects Union Marks 40th Anniversary

SK3003053994 Pyongyang KCNA in English 0501 GMT 30 Mar 94

[Text] Pyongyang, March 30 (KCNA)—The Korean Architects Union observed its 40th birthday.

The great leader President Kim Il-song founded the union in March 1954 in the difficult postwar period when everything had been razed to the ground. He has clearly indicated the path of the union in each stage of the revolutionary development.

The Central Committee of the Workers' Party of Korea sent a congratulatory message to the members of the union on its 40th birthday.

The message notes that over the past 40 years the union has actively helped to build Pyongyang and other cities and rural communities of Korea splendidly and modern industrial establishments and grand monumental edifices in different parts of the nation for the prosperity of the country and the improvement of the people's living standard.

The message highly estimates the union members for the great feats they have performed over the past 40 years in ushering in a brilliant heyday of chuche architecture in Korea.

A meeting was held here Tuesday to mark the anniversary.

South Korea

Clinton-Kim Yong-Sam Hold Phone Conversation

SK3103034794 Seoul KBS-1 Radio Network in Korean 0300 GMT 31 Mar 94

[Text] President Kim Yong-sam telephoned U.S. President Clinton on the morning of 31 March and explained the result of his visit to Japan and China and discussed ways to resolve the North Korean nuclear issue.

Following is a report by Kim Chin-sok from Chongwadae [presidential residence]:

[Begin Kim Chin-sok recording] In a telephone conversation with President Clinton this morning, President Kim revealed that to resolve the North Korean nuclear issue, close cooperation between the ROK and the United States and establishing a cooperative system with Japan are important, and that, if possible, it is necessary to make efforts for China to take part in resolving the North Korean nuclear issue.

President Kim said that as revealed in the summit talks with President Jiang Zemin, he thinks that China will convey to North Korea that the ROK will not achieve reunification through the absorption of North Korea and that it has a firm will for maintaining peace. President Kim told President Clinton that cooperation with Russia is also necessary.

President Kim said that in the ROK-China summit talks, President Jiang Zemin emphasized that China believes that security on the Korean peninsula is most important, and that to achieve this, dialogue between the parties concerned is very important. While denying that some reports are false, President Kim stressed that the issue of deploying Patriot missiles and the Team Spirit exercise were not mentioned at all in the ROK-China summit talks.

In this connection, President Clinton said that he agrees that it is important to make efforts to resolve the North Korean nuclear issue by obtaining cooperation from China. President Clinton said that there is no objection to the fact that the resolution of the nuclear issue through dialogue is the most desirable. He pointed out that it is difficult to hold dialogue because North Korea is not fulfilling its promises.

President Clinton said that the U.S. Government thinks that it must continue to demand that North Korea receive sufficient inspection by the International Atomic Energy Agency and resume North-South dialogue. He said that since it is not desirable to bring about a worst-case crisis regarding the North Korean nuclear issue, we must deal with this issue prudently and step by step.

Today's telephone conversation started at 1000 [0100 GMT], lasting for 33 minutes.

This has been Kim Chin-sok from Chongwadae. [end recording]

'Need' for IAEA Checks Discussed

SK3103075294 Seoul YONHAP in English 0740 GMT 31 Mar 94

[Text] Seoul, March 31 (YONHAP)—President Kim Yong-sam, speaking over the phone with U.S. President Bill Clinton Thursday [31 March] morning, said close cooperation among Seoul, Washington and Tokyo is important to settle the North Korean nuclear dispute.

"I think that, if possible, we should try to invite China to participate and that we need Russian cooperation too," he added.

In the 33-minute conversation which started at 10 A.M. when Clinton called Kim while on Easter vacation in California, Kim explained his visits to Japan and China, Presidential spokesman Chu Ton-sik said.

"I think China will consider our position and will eventually cooperate with us in the U.N. Security Council," Kim said.

He added that Beijing would inform Pyongyang of Seoul's policy against the German-style reunification of Korea, with the South absorbing the North, and "my firm will to maintain peace" on the peninsula. "The Chinese leaders said they oppose not only the North Korean nuclear issue standing in the way of South Korea-China economic cooperation but also a nuclear presence in either of the two Koreas."

Clinton said he is well aware of China's concern that the U.N. Security Council may adopt a resolution on North Korea, while stressing the need to send a strong signal to show "our unity" before the North Koreans and the world.

He expressed hope that China would not veto a resolution in the U.N. Security Council, saying the Chinese are in a difficult position but must prevent North Korea from breaking the promises it has made.

Clinton, admitting that the Stalinist state's nuclear program is a sensitive problem, stressed the need to make clear "our position on this issue."

The United States believes that settling the nuclear issue through dialogue is most desirable, but realizes the difficulty of talking with North Korea, he remarked.

Clinton said that because North Korea has not kept its promises, the U.S. Government must continue pressing for full International Atomic Energy Agency (IAEA) inspections and resumption of inter-Korean dialogue.

He added that since Washington does not want the dispute to develop into a crisis, it will opt for a gradual and prudent approach so that North Korea can talk out a solution with South Korea, the United States and the IAEA.

Clinton stressed the need for Seoul and Washington to cooperate closely on the diplomatic front and take the initiative if necessary.

Rendering ineffective Pyongyang's policy pitting Washington against Seoul is vital, he said, adding that Japanese, Chinese and Russian cooperation must be brought to bear.

President Kim reiterated the need for additional IAEA nuclear checks in North Korea and substantial inter-Korean talks, noting that China supports "dialogue between responsible authorities of South and North Korea."

Saying he has invited Chinese President Jiang Zemin to visit Seoul soon, Kim said Jiang had promised to come before the Asia-Pacific Economic Cooperation (APEC) leadership meeting slated for November.

In his two meetings with Prime Minister Morihiro Hosokawa in Tokyo, Kim and the Japanese leader agreed that South Korea-U.S.-Japan cooperation is key to solving the nuclear issue, Kim told Clinton.

Results of Han-Christopher Meeting Reported

SK3103003094 Seoul YONHAP in English 0020 GMT 31 Mar 94

[Text] Washington, March 30 (YONHAP)—South Korea and the United States agreed to push their plans to adopt a resolution at the UN Security Council on the North Korean nuclear dispute.

The agreement came during a meeting Wednesday morning between South Korean Foreign Minister Han Sung-chu and U.S. Secretary of State Warren Christopher.

Han and Christopher decided they would retain the content of the draft resolution worked out by the United States but tone down the phrasing, informed sources said.

At the same time, they did not rule out the possibility of going along with a statement by the council president as demanded by China, the sources said. The two countries will continue to seek a compromise with China, they added.

Talking to reporters after the meeting, Han said his agreement with Christopher was not just a gesture to facilitate negotiations with China. "We have actually agreed to push our plans to adopt a resolution," Han said.

Prior to the meeting, Christopher had consulted with Foreign Ministers Tsutomu Hata of Japan and Andrey Kozyrev of Russia on adopting a resolution on North Korea. The foreign ministers are still negotiating among themselves, the sources said.

"Be it a resolution or a council president statement, the security council is expected to adopt it by Thursday," Han said. He added, however, that the timing could be put off a little if minor problems cropped up.

In either case, there would be a deadline for North Korea, Han said, hinting that it would be around mid-May when the International Atomic Energy Agency could resume inspections.

Han said that if the IAEA cannot undertake additional inspections, the United States will forget about talks with North Korea and enter directly into a phase where the Security Council would impose sanctions.

Therefore, North Korea will have to respond to the resolution or the council president's statement, Han said.

Han also briefed Christopher on the results of South Korean President Kim Yong-sam's visit to China and discussed possible Chinese cooperation.

Han and Christopher discussed follow-up measures to the Security Council resolution, as well as problems related to the joint military exercise Team Spirit and a third round of U.S.-North Korean high-level talks, the sources said.

Later Wednesday, Han met with Samuel Burger, deputy White House aide for national security affairs, and they agreed to continue maintaining close coordination and cooperation on the North Korean nuclear row.

Han is scheduled to visit the United Nations in New York for talks with Secretary-General Butrus Butrus-Ghali and both permanent and non-permanent members of the UN Security Council.

Gallucci's Letter to DPRK Counterpart Cited

SK3103010894 Seoul YONHAP in English 0102 GMT 31 Mar 94

[Text] Washington, March 30 (YONHAP)—Washington and Pyongyang recently exchanged letters clarifying their respective positions on international inspection of North Korea's nuclear facilities and a fresh high-level meeting.

Diplomatic sources here said Wednesday that Assistant Secretary of State for Military and Political Affairs Robert Gallucci sent a letter to North Korean Vice Foreign Minister Kang Sok-chu several days ago, saying a third round of high-level talks would not take place unless Pyongyang met two previously agreed conditions—full inspection of nuclear sites at Yongbyon and an exchange of envoys between North and South Korea.

Gallucci and Kang headed their respective delegations to the previous two rounds of high-level U.S.-North Korean political negotiations.

The letter contained no fresh offers but urged Pyongyang to allow additional International Atomic Energy Agency (IAEA) checks of its nuclear facilities, while reaffirming the U.S. position on further talks, a source said.

Gallucci wrote the letter in reply to a missive sent by Kang in the middle of March.

In his letter, Kang urged Washington to hold a third round of talks as agreed, noting North Korea had permitted IAEA inspections.

South Korean Foreign Minister Han Sung-chu told South Korean correspondents here that further high-level U.S.-North Korean talks would not be held until Pyongyang complied with the coming UN Security Council action, be it a resolution or a statement.

"I don't think it necessary for Washington to have prior consultations with Pyongyang regarding additional IAEA inspections, "He added, suggesting that the resumption of dialogue depends on whether Pyongyang changes its mind on the nuclear issue.

Team Spirit Suspension, Patriot Deployment Urged

SK3103065694 Seoul THE KOREA TIMES in English 31 Mar 94 p 6

[Editorial: "'Team Spirit' & Patriot Missiles"]

[Text] The joint U.S.-Korea military exercise Team Spirit is intended to maintain the defense capability of the Korean and American forces here against a possible

North Korean attack. So, it was naturally expected that the two allies would conduct the annual military drill this year too.

However, Seoul and Washington canceled it as a concession in the nuclear negotiations between Pyongyang and South Korea, the United States and the International Atomic Energy Agency (IAEA).

Now that the hardline Stalinist state has failed to carry out its half of the bargain, this concession might be expected to be withdrawn. But Pyongyang is again threatening to pull out of the Nuclear Nonproliferation Treaty (NPT) if the U.S. and South Korea resume the exercise, which Pyongyang calls a rehearsal for a nuclear war against the North.

China has also come out in support of the North Korean position. Although President Kim Yong-sam stated after his summit with his Chinese counterpart Jiang Zemin in Beijing that the two did not discuss Team Spirit and the deployment of Patriot anti-missile batteries in the South, Chinese officials made it clear China is as opposed to them as before.

A formal Seoul decision on the two matters is expected after President Kim's return home, as he promised before his departure for Japan and China a week ago. With the two presidents having called for a negotiated settlement of the North Korean nuclear problem through dialogue among the parties concerned, Kim is likely to weigh the further postponement of the military drill in expectation of a change in Pyongyang's nuclear stance.

It is our view that suspension of the Team Spirit drill needs to be considered, lest it provide an excuse for the North to translate its NPT pullout threat into action, leaving no room for a peaceful solution to the issue. Since Seoul and Washington have used Team Spirit as a bargaining chip in nuclear negotiations in the past, they may well decide to leave it as a card up their sleeves for use in the future.

On the other hand, Korea and the U.S. need to positively consider the deployment of Patriot missiles, as it is designed for defense against the North's Scud missiles. It is illogical and unreasonable for Pyongyang to voice its opposition to the Patriot deployment in the South, while it produces and develops offensive missiles.

In a nutshell, the suspension of Team Spirit is recommendable for the present in order to avoid the worst but the Patriot missiles are needed as a war deterrent to cope with the erratic and unpredictable North.

Our side's unlimited concessions at this point could rather encourage the defiant North to continue adventurism and brinkmanship that are in no one's interests.

PRC Position on UNSC Resolution Analyzed

SK3103054594 Seoul MUNHWA ILBO in Korean 31 Mar 94 p 1

[By correspondent Kim Chae-muk from New York]

[Excerpt] The UN Security Council [UNSC], which has been discussing measures on the North Korean nuclear issue, began an unofficial meeting on the afternoon of 30 March (morning of 31 March Korean time) in preparation for the plenary meeting to be held on the afternoon of 31 March (morning of 1 April Korean time).

The ROK and the United States agreed to a resolution clearly stating the deadline for additional inspections on North Korean nuclear facilities and discussion for additional measures.

Thusfar, the PRC has insisted on replacing the format with a UNSC presidential statement and on not including "binding articles" in the content. However, it is noteworthy that the PRC expressed its position in unofficial negotiations that it might partially accept the demand of the ROK and the United States if the format of a presidential statement is accepted.

Particularly, the PRC implied that rather than "oppose" the moves by the ROK and the United States, it may abstain if the issue proceeds to a vote thus expressing that they "do not support" the measure. [passage omitted]

Circulates Draft Statement on DPRK

SK3103072194 Seoul YONHAP in English 0702 GMT 31 Mar 94

[Text] United Nations, March 30 (YONHAP)—China circulated a draft of the U.N. Security Council president's statement Wednesday urging North Korea to accept additional inspections of its nuclear facilities by the International Atomic Energy Agency (IAEA).

The mildly worded draft statement was being offered by Beijing, Pyongyang's only remaining major ally, as an alternative to a U.S.- drafted resolution on the North Korean nuclear dispute.

Although the contents of the statement and the resolution are similar, the Chinese draft does not set a deadline for the IAEA director-general to report back to the Security Council on the progress of IAEA inspections.

The Chinese version also modifies a clause in the draft resolution that says the council will consider follow-up measures if necessary, changing it to "the council can consider the North Korean nuclear problem again if necessary."

Meanwhile, the four other permanent members of the Security Council—the United States, Britain, France and Russia—circulated the U.S.-drafted resolution among all council members after they failed to strike a compromise with China on its contents.

At Wednesday's meeting, China and such non-aligned members as Pakistan, Rwanda, Nigeria, Oman and Djibouti said they preferred that the Security Council adopt the "consensus" formula, which calls for the consent of all members.

Since this consensus formula means in effect a presidential statement, the council was leaning toward adopting the Chinese version after modification of its wording, according to sources.

The Security Council is expected to hold another informal closed-door meeting Thursday (local time) and, depending on the outcome of negotiations on the wording, the council could adopt a presidential statement the same day.

The Chinese representative at the United Nations, Chen Jian, told reporters after Wednesday's meeting that an absolute majority of Security Council members favored the consensus formula.

"This is a positive signal that the Security Council would adopt a presidential statement," he added.

Chen also reaffirmed that China would never go along with a resolution, but he gave no indication that he would veto the resolution if the council was forced to vote on it.

The council president, Jean-Bernard Merimee of France, said negotiations between the United States and its allies and China will continue as their positions remain far apart.

Opposition Demands Recall of Ambassador to PRC

SK3103062594 Seoul YONHAP in English 0516 GMT 31 Mar 94

[Text] Seoul, March 31 (YONHAP)—The opposition Democratic Party [DP] demanded Thursday that the Seoul Government immediately recall Ambassador to China Hwang Pyong-tae and reshuffle its entire diplomatic and national security team.

The DP made the demand on the ground that the team has created fear and anxiety among the people by pushing an inconsistent foreign and national security policy with regard to the North Korean nuclear dispute.

As far as the nuclear issue is concerned, President Kim was at the receiving end of persuasion during his visits to Japan and China, the DP said.

Moreover, the Kim administration's North Korea policy has performed another sudden about-face, from a hard-line position to a moderate stance.

The opposition party, however, acknowledged that it was proper for Seoul to have reaffirmed its position on resolving the North Korean issue through dialogue.

For its part, the DP again made clear it was against imposing any sanctions on North Korea through the UN Security Council.

DP Chairman Yi Ki-taek said, "The president has to carry out a clear policy so that the people don't become confused."

"It was a very serious matter when the ambassador to China and the senior presidential secretary for foreign and national security affairs fought in Beijing, causing confusion," Yi said.

"If all members of the government's foreign and national security policy team are not changed, similar problems will continue to occur."

DP Spokesman Pak Chi-won said, "Our country was subjected to international shame in China when the ambassador and the presidential aide publicly squabbled to grab the policy initiative."

"The government ought to straighten out its wavering policy on the North Korean nuclear issue," Pak said. "And it has to recall Ambassador Hwang immediately."

Hwang, after attending a summit between Presidents Kim and Jiang Zemin of China, briefing reporters, said, among other things, that Seoul would henceforth consult with Beijing closely on the North Korean issue, placing emphasis on China's role in the affair.

Hwang said China would actively intervene to end the nuclear standoff and North Korea would allow additional International Atomic Energy Agency (IAEA) inspections.

His remarks were refuted by Chong Chong-uk, senior presidential secretary for foreign and national security affairs. The Seoul Government has not changed its policy of closely coordinating and cooperating with the United States and Japan, Chong said.

Meanwhile, some members of the ruling Democratic Liberal Party also criticized the administration for lacking consistency in its policy on North Korea.

Rep. Chong Che-mun, chairman of the Foreign Affairs and National Unification Committee, said Ambassador Hwang's comments were uncalled for, especially while the senior presidential secretary was in the Chinese capital.

"It is all very well and important to cooperate with China, but we have not reached the stage where we should shift the base of our foreign policy away from the cooperative arrangments among Japan, the United States and South Korea," said Rep. Pak Chong-su.

Russian Diplomat Cited on DPRK Nuclear Issue

SK3103053794 Seoul CHUNGANG ILBO in Korean 31 Mar 94 p 1

[Report by Washington-based correspondent Chin Chang-uk]

[Text] A Russian diplomat in Washington said on 30 March that if North Korea is found to have a nuclear weapon, the Russian Government will not help North Korea militarily even if a Western country, such as the United States, were to take military action, such as preventive bombing, against North Korea regardless of UN agreement.

The Russian diplomat, who requested anonymity, said this in an interview with CHUNGANG ILBO that day. He made it clear that if North Korean development of nuclear weapons is confirmed, Russia will not give assistance to North Korea even if North Korea is attacked militarily because such an attack on North Korea will not fall under the provisions of the military alliance treaty signed between North Korea and the former Soviet Union in 1961.

The Russian diplomat explained that although the military alliance treaty the former Soviet Union signed with North Korea is still valid with Russia's succession to the Soviet Union, Russia is not required to provide military assistance to North Korea when North Korea provokes a war ahead of the other side. Thus, Russia will regard confirmation that North Korea has developed nuclear weapons as provocation by North Korea, he said.

DPRK Closes Visa, Trade Office in Macao

SK3103021894 Seoul KYONGHYANG SINMUN in Korean 31 Mar 94 p 2

[UPI, YONHAP from Macao]

[Text] Relevant officials said on 30 March that North Korea had closed its trade office, which has so far issued visas in Macao. This office was one of the North Korean overseas offices dealing with the visa business throughout the world.

Since the mid-1970's, North Korea has operated its trade office in Macao. The office has received applications for visas since 1991. However, it has not disclosed the reason why it closed the office.

North 'Propaganda Specialist' Defects to South

SK3103122094 Seoul YONHAP in English 1117 GMT 31 Mar 94

[Text] Seoul, March 31 (YONHAP)—A North Korean man who worked as a propaganda specialist defected to South Korea on Thursday by way of a third country, the Agency for National Security Planning (NSP) reported.

The defector was identified as Kim Kwang-uk, age 26, a member of a mobile propaganda team of three revolutionary squads department, South Pyongan Province chapter of the Workers' (Communist) Party.

"Kim arrived at Kimpo Airport through a third country and asked for asylum in South Korea," an NSP official said. He said that a preliminary questioning showed that Kim graduated from Pyongsong Engineering College and escaped to China toward the end of last year while working as a mobile propaganda team member.

Russia Assumes Responsibility for Soviet Loans

SK3003085394 Seoul YONHAP in English 0819 GMT 30 Mar 94

[Text] Seoul, March 30 (YONHAP)—Moscow agreed to assume responsibility for repaying all South Korean loans, including commodity and bank loans, to the former Soviet Union at a working-level meeting with Seoul that closed here on Tuesday.

In November 1992, Russia agreed to repay all commodity loans South Korea had extended to the former Soviet Union.

But the two countries differed on how and when Russia should repay the loans, agreeing only to meet again in the near future.

Assistant Finance Minister Yim Chang-yol, who headed the South Korean delegation to the meeting, said Russia had insisted on a moratorium on the loans, refusing to accept South Korea's offer to take repayment of the loans in kind, such as in industrial materials.

South Korea will push for another meeting on the matter in May, he added.

Russia proposed that South Korea grant a moratorium similar to the one provided for under an agreement reached with the Paris Club of 19 advanced nations in April last year.

But, Korea rejected the proposal, saying it cannot allow a Paris-Club-type moratorium since Korea is not a Paris Club member.

Under the agreement it made with the Paris Club, Russia must repay half of the Paris Club nations' loans to the former Soviet Union outstanding as of the end of 1992 by September 1993 and the rest in five years after a two-year grace period.

* President's 'Phase-Two Reform' Criticized

942C0076A Seoul MAL in Korean Feb 94 pp 34-37

[By Kim Song-sik, MAL Editorial Board member: "Outlook on Phase-Two Reform Fronts Uncertain"]

[Text] *President Kim declared the "continuation of change and reform to strengthen the nation's competitiveness." But bureaucrats continue the foot-dragging while* *the public sentiment shifts from expectation to indifference. Where can creative energy for transcending the "Kim Yong-sam-style reform" be found, and how?*

Phase One of the Kim Yong-sam administration saw the civilian president lead the way with reforms based on his initiative and carry out the shifting of power within the ruling group to form a new clique. Also in this period, we saw a political world making little change in both players and in their performance, the vested interest groups persisting in obstinate resistance, the bureaucrats continuing the foot-dragging, and the public mood shifting, psychologically, from expectation to indifference. The first-year reforms, while proving successful in various sectors, demonstrated the limitations in strength and vision. As they encountered the "upheavals from the blitz" and the "post-Uruguay Round political crisis," the need for a turnabout in the atmosphere proved to be inevitable.

As for President Kim, he must be hoping that his second year will be a period for him to expand reforms he launched and, at the same time, to prepare for major elections to be held successively, beginning in 1995. Consequently, the president is expected to maintain his initiative through continued reforms in specific sectors, such as those in the political, administrative, educational and other sectors, rather than the sort of reforms that accompany the shifting of power, and at the same time to put emphasis on internationalization and the revitalization of the economy. In political management, he will try to remove elements of political harassment and to focus—through a working-type staff—on intensifying his administrative push. On the other hand, the overall enhancement of economic logic will result in increased pressures on the workers.

Kim Yong-sam's decision, announced in the New Year news conference held on 6 January, to postpone the national convention of the Democratic Liberal Party [DLP] was a multipurpose card. In connection with the postponement, media described it as if it had added to the importance of Kim Chong-pil, DLP chairman. As for Kim Chong-pil, however, who is a veteran politician, he must have sensed that it meant nothing more than an extension of his unstable political status, for the deferment deprived him of an opportunity to bolster his influence through a reelection. Furthermore, the decision seeks to prevent the election of a new party chairman from triggering a full-blown power struggle within the DLP, and the formation of a new party leadership from weakening the president's centripetal power. Thus, Kim Yong-sam sees a political realignment—in whatever form—as premature.

The simple patch-up work with the DLP shows President Kim's will to continue his way of political management relying on Chongwadae staff and cabinet members. The DLP national convention was put off, ostensibly, for "sustained changes and reforms to build up the nation's economic strength." It actually is a move designed not only to suppress elements of political harassment within the DLP but to neutralize offensives from the opposition, thereby enhancing the cohesiveness of the executive power of the president. Needless to say, how it will work out is another question.

The underlying tone was in evidence in the way the party and cabinet reshuffles were carried out. The late-December reshuffles and changes of Chongwadae staff could be viewed as the deployment to forward positions of figures close to President Kim and personalities of the new regime. They included Choe Hyong-u, minister of home affairs; Kim U-sok, minister of construction; So Chong-won, first minister of state; Yi Won-chong, senior presidential secretary for political affairs, and Mun Chong-su, a member of the former Democratic Party [DP] faction in the DLP who was appointed DLP secretary general. Also included were many promoted from among Phase-One staff members such as Yi Hoe-chang, who was appointed prime minister; Chong Chae-sok, director of the Economic Planning Board; Hwang Yong-ha, minister of government administration; Yi Pyong-tae, minister of national defense, and Kim Yang-pae, minister of agriculture and fisheries. An overall view of this new, Phase-Two lineup—including those retained from the previous lineup such as Pak Kwan-yong, Chongwadae secretary general—suggests that it is not a compromise arrangement but a measure giving priority to a setup that puts Kim Yong-sam more strongly in charge for an effective exercise of power.

Also, the party and cabinet reshuffles seem to be aimed at straightening out the present bureaucratic system. The changes in administrative posts such as the new Home Affairs Minister Choe Hyong-u, Government Administration Minister Hwang Yong-ha, and Yi Ui-kun, senior presidential secretary for administrative affairs, can be seen as a step to deal with the foot-dragging by bureaucrats and prepare for the gubernatorial and mayoral elections scheduled for next year. While President Kim is expected to take some actions for administrative reforms too, as he suggested in his New Year news conference, he seems to be also planning to use the local elections for a major step to correct the hardened arteries of the nation's officialdom.

Meanwhile, it is noteworthy that Assemblyman Kim Tok-yong, previously regarded as an influential person, was placed on "political probation." While it is in part an aspect of the power game within the DP faction, the development demonstrates President Kim's firm will to tolerate no potential elements that could weaken the president's power. Assemblyman Kim Tok-yong's comeback is of course possible but the fact that his associates, including some personalities of the 6.3 generation, were left out from the new lineup are full of suggestions, in many ways.

Put simply, through the reshuffles and the decision to postpone the DLP national convention, the president let his strong will not to let go of his political centripetal power and his political initiative be known. However, the moves were passive and defensive ones in nature, rather than positive and offensive. As some called it "the DP-faction regime," they were tantamount to rearrangements of the line of battle inside the closed circuits of the president's men.

The moves were made against the backdrops of the successes—and limitations—of reforms that were pushed on last year, and of the sociopolitical dynamical relationships as unveiled in that process. The series of reforms carried out in 1993 were in fact remarkably successful for the original limitations surrounding the regime, thanks largely to the will of the president and expectations of the people. Powers were restructured through the public disclosures of property owned by high officials, the successive audit-and-inspection probes, the by-elections, the rush of personnel changes, as well as the presidential decree outlawing the uses of aliases or borrowed names in financial transactions; as a result, President Kim succeeded in dismantling the political military leadership that had been the core of power in this country. However, except for securing power in the very core of government and implementing partial reshuffles in several departments, he failed to deliver fundamental reorganizations of power and politics. The fate of the probe into property owned by public officials that ended in an anticlimax, and the proposed amendments to political laws that failed to be acted on, demonstrated this reality symbolically.

President Kim, preparing for his second year in power under such circumstances, had these options: arriving at some power-sharing compromises with the vested interest groups; on the contrary, bringing in pro-reform forces from outside to expand his reform hegemony; or putting off such political maneuvers until the political season of candidate endorsing for the scheduled elections and, for now, strengthening his direct exercise of power through aides close to him. He chose the last option, as seen in the party and cabinet reshuffles. The action is, of course, based on the consideration that this is the only election-free year of his tenure, but it also reflects the present situation where the power balance is not in favor of an immediate settlement of a political deadlock and where the time is not ripe for it either. In the final analysis, the recent reshuffles were made not in the direction of expanding the reform hegemony, involving either vested interest groups or pro-reform forces, but took the form of placing the president's men in forward positions; therefore, it became difficult to expect an expansion, horizontal or downward, of the power base. This also means that there will come a time sooner or later when the existing human resources for replacements will be exhausted. Considering these factors, it is more appropriate to view the recent reshuffles as a passive defense of the existing front than as an expression of President Kim's self-confidence.

It can be said that Phase One was dedicated, basically, to political reforms to liquidate military rule and authoritarianism, reforms to end irrationalities in the financial and other branches, and to the New Growth economic line. The broad framework defining the nature and depth of future reforms is not likely to surpass that of the Phase One program. However, things noteworthy will be: In his push for administrative and educational reforms, how successful will the president be in overcoming the reactions of the vested interested groups? And what kind of social tensions will the pressures on the workers from various internationalization programs create? Some observe that a breakthrough in North-South Korea relations may emerge as a political factor; however, while there may come some partial improvements in relations, it is difficult to expect an epoch-making change. After all, the speed and intensity of specific reforms will be fluid, not fixed, depending on the outcome of competition and cooperation between the forces involved. Although big-size reforms on the second-year agenda will be fewer than in the first year, the offensive and defensive battles will intensify between forces over specific reforms—and over how the turf boundaries, left ambiguous by the first-year reforms, should be reestablished.

I referred, in the opening part of this article, to the political world with little change, with the same players playing in the same fashion, be it the ruling camp or the opposition; the obstinate resistance of the vested interest groups; the continued foot-dragging of bureaucrats, and to the mood of the public shifting psychologically from expectation to indifference. Over the period from the Yellow Sea ferry disaster to the furor over the opening of the rice market, we saw President Kim's initiative running into difficulties everywhere, and a strange mood of indifference proliferating in public opinion. It can be said that the Phase One reforms actually entered a new critical stage immediately after the financial reform—"the reform of all reforms"—was put into effect.

As asserted by many, it is true that this situation basically stemmed from the limitations inherent in the Kim Yong-sam government, but such rhetoric alone cannot solve the problem. In fact, we see more fundamental limitations with the reform capabilities and the vision of our whole society, do we not? Debates merely highlighting "the limitations of the president" can be a way of political offensive but they do not serve the purpose of finding a way for true, in-depth reforms. And it is the task of history unaffected by personal interests of any individuals that our society needs overall reforms and that they have to be more thoroughgoing ones than the Kim Yong-sam-style reforms. Criticisms against the ruling party can be effective only when backed up by counterproposals superior to theirs instead of indulging in faultfinding. A look at the various difficulties confronting the reform program shows that we cannot afford to sweep everything under the carpet by blaming it on the "original sin of the three-party merger" and that we ourselves have a great deal of homework to do, namely, self-reforms in various fields.

So, we will examine a few points in this respect, from the viewpoint of how to revitalize the reform capabilities of the entire society, let alone the conservative, vested interest groups whose ears are "deaf to any preaching."

Let's begin with problems inside the civil society. De Tocqueville and many scholars after him maintained that the civil society is the very stronghold of democracy. Despite degrees of difference, the latest line of debate on democracy basically holds that we should revitalize the independent, critical energy of civil society and intervene in the coming onslaught of the logic of power and economy with the principle of democracy, forcefully and to the maximum degree.

Democratization has become the general trend since the June Uprising despite turns and twists. Progress in democratization means the process of ending the suffocation of civil society at the hands of state power. As democracy advances, the days of almighty state power are fading into the past, giving way to an era in which the civil society has a distinct role of checking antireform reactions of the vested interest groups.

However, our civil society today lies in a state of "too much money power and too little citizen power." In other words, vacancies created by the retreating state power are being filled not by the sound citizen power but by the exorbitant money power. Furthermore, forums and media are largely in the grip of established journalism which is weak in its consciousness of history and not positive for reform (and is even conservative). The logic of citizens for establishing their autonomous, collective identity is suffocating under the pressures of parochialism and built-in connections, which make rational judgment itself impossible. The creative energy of citizens is far from being revitalized.

Viewing the present situation in this light, we find that the overall strengthening of the reform fronts through self-reforms of the civil society and struggles against the vested interest groups entrenched in it, along with the unity of the sound energy of the civil society, is our major task. And social movements, precisely, provide opportunities for positive demonstrations of the autonomous energy and critical power of the civil society. There is a need to further develop diverse citizen movements, including environmental, consumer, women's, civic legislation, media reform, human rights, watch-parliament, and political reform movements and movements for economic justice, as well as the traditional mass movements such as labor and peasant movements. To that end, the government should lift not only economic controls but also various other restraints on social movements.

At the same time, each social movement should make self-reforms to ensure support and participation by a majority of the people. This process involves the abilities of self-reflection and solidarity, including those to reexamine one's own vision, stamp out factional vestiges, renew the sense of responsibility toward the state and the times, and to wage criticism backed up by alternatives. Also, it is necessary to do away with the way of thinking that what a certain person says or what a certain group does is always right or always wrong, and to develop maturity in perception so that we can weigh any specific position on its merit. In particular, it is important in this period of transition that in countering the resistance of vested interest groups, we actively focus on pending reform issues.

Without changes in the political power and political camps, social movements alone have their limitations, in many ways. Speaking of political camps, the problems are far more serious. Earlier in this article, I pointed out that President Kim employed a stop-gap policy toward the ruling camp to preserve his centripetal power.

The opposition party did the same thing. While the viability of Chairman Yi Ki-taek and his faction in the Democratic Party remains a question, it also appears difficult for the increasingly visible "nonmainstream alliance," led by Assemblyman Kim Sang-hyon and Supreme Committee members Yi Pu-yong and No Mu-hyon, to free itself from the magnetic field of Kim Tae-chung, the former party chairman. Thus, the two-Kim era is still on. With a view to keeping their own political influence from being weakened, the two Kims are deliberately preventing a new leadership from emerging. To make it worse, the TK [Taegu-Kyongsang] force says it will carry on the "Taegu sentiment," while the Sinjong Party of Assemblyman Pak Chan-chong is trying to take advantage of anti-DLP, anti-Democratic Party feelings and fish in troubled waters. From all this, we can reconfirm a political world in which reforms are being stalled because of the same old regional political turfs. The Kim Yong-sam administration has entered its second year, with no change at all in this respect.

A political landscape like this renders it impossible to promote a productive competition between a reform plan and its alternative. President Kim emphatically stated that his administration will seek justice based on facts and promote pragmatic well-being. For now, success with the policies is difficult to expect, however. They are bound to end up in unproductive skirmishes between political forces; moreover, they will basically impede the development of a desirable public opinion structure in our society. Furthermore, the continued presence of the regional political turfs means that there will be unopposed elections in many districts once candidates obtain party endorsements. Government for the people is simply impossible under such circumstances. It also means that the rooms are extremely narrow for both the ruling and opposition camps to bring in fresh forces from outside. This would even disrupt the normal relationships among the state, the political communities and the civil society, and we will see only reports of the political sphere's foul power games fill up the pages of the media. As long as that sort of situation continues, the nonresponse of the majority of our people to President Kim's reform program—and to the activities of the political world—will also continue.

The nation's political sector remains least competitive of all in this era of internationalization. The problem is that the range of possible reform within the established political world is extremely narrow. This raises the question: Should we remain a spectator to the power games that continue to be waged over parochial interests—or pry the established political world with a lever of realignment from outside? The civil society is indeed faced with the dual tasks to further elevate the levels of its movements on one hand and, on the other, to form new political forces to usher in a truly new era. This is not to say that the established political world should be shunned in its entirety, but that there is a need to first establish a leadership to speed up its reforms and changes and lead it in a desirable direction.

What is truly needed at this point of time is a challenge and practice to bring an end to the era of epigones, rather than commentaries on the same old things. If we should seek a career in the shadow of existing authority or be content with peace within our private castle, we can neither open the horizon of reform forcefully nor produce a dignified political leadership worthy of a transition period. The need to transcend the era of epigones is not confined to political practices. The roaring tide of the transition period demands that the administration, the legislature, the judicature, businesses, schools, research institutes, media, citizen movements and all other organizations launch sweeping reform drives. The political world may be adrift as it is, but our society, having no surpluses of time and resources, cannot afford to delay those reforms in any specific sectors. In conclusion, let me add that I firmly believe that each and every sector has its reformists with true passions.

Burma

Singapore's Prime Minister Goh Visits

Meets SLORC's Khin Nyunt

BK3003045894 Rangoon Radio Burma in Burmese 1300 GMT 29 Mar 94

[Text] Lieutenant General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar [Burma], paid a courtesy call on Mr. Goh Chok Tong, prime minister of Singapore who is currently on a goodwill visit to Myanmar, at the Seinlekantha state guest house at 1430 this afternoon.

The visiting Singaporean labor minister and deputy defense minister, Dr. Lee Boon Yang, and delegation called on Lt. Gen. Aye Thaung, SLORC member and labor minister, at the latter's office at 1530.

An 18-member Singaporean business delegation led by Mr. Alan Yeo, Singapore Trade Development Board chairman, called on Lt. Gen. Kyaw Ba, SLORC member and hotels and tourism minister, at the latter's office at 1530.

At the meeting, Mr. Alan Yeo and Singaporean businessmen noted that Myanmar's richness in cultural heritage and natural beauty shows great prospects for the development of the hotel and tourism industry, and suggested related travel and tour services could be simultaneously implemented while engaging in hotel operations.

Minister Kyaw Ba explained the development activities related to infrastructure and noted respective ministries are trying to improve inland water transport and upgrade rail services. He also noted opportunities for the participation of the private sector in the hotel and tourism industry and remarked broad advertising campaigns have been launched locally and overseas with foreign companies to promote the tourism industry. He hoped to expand to the Singapore market in the future with the help of the Singapore Tourism Board. The minister later held cordial and frank talks with the businessmen.

A 20-member Singaporean business delegation led by STDB Chairman Mr. Alan Yeo called on Finance and Revenue Minister Brigadier General Win Tin at the Central Bank Building at 1430 and held cordial and frank discussions on investment and economic cooperation matters.

The Singaporean business delegation also paid a courtesy call on Industry-2 Minister U Than Shwe at the latter's office. Minister U Than Shwe noted Myanmar is rich in natural resources and possesses skilled workers, technicians, and technocrats. He explained product sharing activities in cooperation with developed countries could gain mutual benefit. He said the Ministry of Industry-2 is capable of producing industrial activities utilizing Myanmar's resources and welcomes the Singaporean businessmen (?to invest) in product sharing activities. The Singaporean business delegation made inquiries on bilateral cooperation matters and responsible personnel provided relevant answers. They later held cordial and frank talks on bilateral cooperation.

Promotes Constructive Dialogues

BK3003132094 Singapore Singapore Broadcasting Corporation in English 1100 GMT 30 Mar 94

[Text] Prime Minister Goh Chok Tong says the policy of isolating Myanmar [Burma] has not worked. He said the international community should instead engage in constructive dialogues with Yangon [Rangoon] if it wants to seek change in the country. Speaking at the end of his three-day official visit to Myanmar, Mr. Goh said that after many years of self-isolation, the country now wants to open up its economy. He said ASEAN's policy of constructive engagement is the right one. The prime minister also encouraged businessmen and leaders from Western countries to visit Myanmar to assess the situation. More importantly, such visits will give them the opportunity to put forward their viewpoints to the country's leadership.

Myanmar's minister for national planning and economic development, Brigadier General David Abel, said Mr. Goh's visit has built a lot of confidence in the business community. He added he now expects better rapport between businessmen in the two countries.

Gives News Conference in Rangoon

BK3103052194 Rangoon Burma Television Network in Burmese 1330 GMT 30 Mar 94

[Text] Mr. Goh Chok Tong, prime minister of the Republic of Singapore, who is currently on a goodwill visit to Myanmar [Burma], held a news conference with local and foreign journalists at 1115 today at Seinle Kantha Guest House. The news conference was attended by responsible officials; local and foreign journalists; journalists from REUTER TV, NHK TV, KYODO, and NIHON KEIZAI SHIMBUN; and freelance journalist Dominique Faulder.

Singapore Prime Minister Mr. Goh Chok Tong said his trip to Myanmar is part of current efforts to assess economic opportunities for Singapore companies. He explained that Singapore is encouraging entrepreneurs and investors to invest in neighboring countries and that he had also visited the People's Republic of China, Vietnam, India, Thailand, and Indonesia in order to assess for himself the economic opportunities in those countries. He said he was also able to familiarize himself with political developments in those countries and that he came to Burma with similar objectives.

Mr. Goh explained that the objective is to cooperate with the Government of the Union of Myanmar for investment in Myanmar and to study how to persuade Singapore investors. He said economics and politics are inseparable, and investors would like to know about developments in Myanmar before building hotels, offices, and factories. This is why he came—to enable investors to discover for themselves, and for himself to assess developments in Myanmar.

The Singapore prime minister said he did not discuss the issue of Myanmar's entry into ASEAN during his visit and he believes it is still premature to discuss the issue. He said Thailand, as host of the ASEAN meeting in July, can invite Myanmar if it wishes and there is an identity of views on this matter among the ASEAN nations.

He said Myanmar has some delicate problems regarding economic and political affairs. He said that economically Myanmar authorities want to practice a market economy and attract more tourists and foreign investment. He said the Government of Myanmar fully understands the need for foreign investment and is aware of the impact of economic development on politics. He said that politically the Myanmar Government is striving to obtain unity with ethnic organizations. He cited the holding of the National Convention as a government undertaking. He said he discussed this matter at considerable length. In his view, the Myanmar Government has considerable problems in this regard. He said he learned that efforts are being made to improve the situation, and he expressed the hope that efforts appropriate to the time will be undertaken.

Mr. Goh explained that he did not discuss human rights, but he discussed Myanmar's political situation extensively with Senior General Than Shwe and Secretary-1 Lieutenant General Khin Nyunt. He said the discussions included matters relating to Daw Aung San Suu Kyi. However, as the discussions were private, he could not elaborate.

He said Singapore follows the International Declaration on Human Rights and violations of human rights have an effect on the foreign policy of a country. However, he recognizes that human rights situations vary from country to country. He said he believes trade will benefit the people of Myanmar as international trade involves contact with people of other countries and will enable them to understand the procedures involved in international business.

Continuing, Mr. Goh said that trade and investment are on the rise in Myanmar and this in turn will greatly benefit Myanmar society. He said he believes trade will benefit Myanmar society in the long term, but he did not discuss the matter of using Singapore as a model for developing Myanmar. The Myanmar Government is increasingly welcoming investment from Singapore. Singapore is interested in some sectors in Myanmar and he believes that the two countries will be able to cooperate for mutual benefit.

He said the outstanding success of Singapore can be attributed to factors on all fronts. He said it is necessary to create a correct situation and that in order to create such a situation, an effective government is necessary, and such a government should be capable of organizing the people to obtain a common view. Furthermore, he said Singapore is located in a region which is experiencing accelerated development. He said Singapore is competitive internationally because it is able to organize the strength of the people, although it does not have any natural resources. He said, therefore, that it is necessary to combine organizational skills, national leadership, and the people's strength in order to create positive situations.

Mr. Goh recalled that he visited Myanmar for the first time in 1980 and again in 1986. This is his third trip and he noted many changes in the country. He said Yangon [Rangoon] is now cleaner and the roads are wider with new buildings and renovated old buildings. He said these are signs of genuine economic improvement in the city of Yangon. He added that Myanmar desires foreign investment and has become more open. He said he believes prospects for progress in Myanmar are good, but he does not want to compare Myanmar to other countries. He said the ratio of the population to natural resources in Myanmar is very favorable and Myanmar can be described as having the best prospects in the region next to Malaysia.

He said Myanmar has many mineral, forest, marine, and natural resources and fallow and virgin lands. He said he views Myanmar as a country very rich in natural resources and the exploitation of these natural resources is still very low. This is why he thinks Myanmar has very good potential. However, he said, it is necessary to create positive conditions for foreign investors.

He said Myanmar has remained in self-isolation for many years and the present pressing economic problem is to link its economy to that of the free international market. He said the process will take time. He said there has been no foreign investment because foreign investors are still assessing the situation in Myanmar.

Mr. Goh said the Myanmar side has given a practical response to foreign investors' concerns about the foreign exchange rate. He said the Myanmar Government said that entrepreneurs already know how to deal with the issue. He said the Myanmar side recognizes the high value of the kyat and the fact that the Foreign Exchange Certificate rate is based on the free market rate, although it cannot be described as a blackmarket rate. He said there is an official rate as well a free market rate. He said the entrepreneurs know how to operate with these rates.

Mr. Goh said that although Myanmar has not officially joined regional circles, it needs to show more openness if it wishes to participate in regional affairs. He said he has encouraged and urged the Myanmar leaders on this matter. He said economics and politics are related and that there can be no economic relations with Myanmar without good political relations. He said the Singapore delegation came to Myanmar as a friend and it is necessary to have mutual benefits in a market economy. He said there should not be a one-sided situation wherein Singapore enjoys 80 percent of the profits while Myanmar only enjoys 20 percent.

On the political front he urged Myanmar to return to the international community as he mentioned in his speech. He said at present Myanmar is isolated internationally and he believes Myanmar should make efforts to return to the international community.

He said Singapore wishes to assist Myanmar in developing the tourist industry. In the next five years the number of tourists visiting Myanmar will increase from the current 100,000 to 200,000 or 300,000. He said that as the tourist industry develops, there will be more hotels, shops, and economic enterprises. He said Myanmar is a very rich agricultural country and he hopes it can meet domestic demand as well as enter the international market. He said agriculture could constitute a major export sector and expressed his hope that Myanmar's economic undertakings will be successful.

Continuing, the Singapore prime minister said he believes the constructive engagement policy of ASEAN is correct. Myanmar remained in self-isolation for many years, but it is now opening itself economically to the world. He said the international community can help Myanmar by holding constructive discussions. He said because Myanmar has remained isolated for a long period, the policy of isolation will not be successful. He said efforts to make Myanmar more isolated will be in vain. He said because of these factors, he decided to visit and hold talks with the Myanmar leaders.

He said discussions on some matters were delicate and he could not disclose details. He said Singapore was able to present its views to the Myanmar side and encouraged Myanmar to undertake certain measures. He said the main purpose of his visit to Myanmar this time is to find markets for investment by Singapore entrepreneurs. He said Singapore is well aware of the economic potential of Myanmar, but at the same time Singapore is aware of the delicate political situation.

He said he came to Myanmar because he believes that his constructive discussions with the Myanmar leaders will help normalize the situation and that the time is ripe for a visit to Myanmar. He said he did not know whether the actions taken by Western countries match their words. However, countries pay great attention to economic relations. He said he urged Western leaders and entrepreneurs to visit Myanmar themselves because only then can they assess the situation in the country for themselves. Furthermore, what is more important is that they will be able to present their views to the Myanmar leaders. As more leaders and entrepreneurs visit, they will have more opportunities to present their views to the Myanmar leadership and Myanmar will benefit further.

He said he discussed the political situation in Myanmar for a considerable time with Sr. Gen. Than Shwe and Lt. Gen. Khin Nyunt. However, he said, his discussions were an expression of his views on what should be done in the future and they do not amount to giving advice. He said the discussions were private.

He said there was no pressure from the U.S. for improving relations between Myanmar and Singapore. He said even if the U.S. applies pressure it will not bring any results. He said Singapore is an independent nation which practices an independent foreign policy.

The news conference ended at 1140.

Goh, Delegation Depart Rangoon

BK3003145094 Rangoon Radio Burma in Burmese 1300 GMT 30 Mar 94

[Excerpt] A delegation led by the prime minister of Singapore, Mr. Goh Chok Tong, which arrived in Yangon [Rangoon] on 28 March for an official visit to Myanmar [Burma] at the invitation of Senior General Than Shwe, chairman of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar and prime minister, left Yangon by special aircraft this afternoon.

The delegation was seen off at Yangon airport by Sr. Gen. Than Shwe, SLORC chairman and prime minister; General Maung Aye, SLORC member, deputy commander in chief of defense services, and army commander in chief; Vice Admiral Maung Maung Khin and Lieutenant General Tin Tun, SLORC members and deputy prime ministers; Lt. Gen. Khin Nyunt, SLORC secretary-1; Lt. Gen. Tin U, SLORC secretary-2; Lt. Gen. Myo Nyunt, SLORC member, minister of religious affairs, and chairman of Yangon division law and order restoration council; Lt. Gen. Thein Win, minister of transport; Brigadier General Abel, minister of national planning and economic development; Brig. Gen. Myo Thant, minister of information; U Ohn Gyaw, minister of foreign affairs; U Nyunt Swe, deputy minister of foreign affairs; U Phone Myint, Myanmar [Burmese] ambassador to the Republic of Singapore; U Kyaw Myint, charge d'affaires of the Myanmar Embassy in Singapore; Brigadier General Chin Siat Yoon, ambassador of Singapore; Mr. Anthony Chng Chye Tong, charge d'affaires of Singapore Embassy; the dean of the diplomatic corps and diplomats; responsible personnel from the civil and military service; and personnel from the Singapore Embassy. [passage omitted]

Agriculture Delegates Visit Thailand, Malaysia

BK3003115494 Rangoon Radio Burma in Burmese 1300 GMT 29 Mar 94

[Text] A Myanmar [Burma] delegation led by Deputy Agriculture Minister U Tin Hlaing and five others left Yangon [Rangoon] for Thailand by air at 1640. They will study agricultural activities under the Thai-Myanmar bilateral technical cooperation program at the invitation of the Thai Government. Then they will travel to Malaysia to study agriculture, rubber, palm oil, tropical fruits, vegetables, and other horticultural activities. The delegation was seen off at the airport by Agriculture Minister Lieutenant General Myint Aung, Deputy Agriculture Minister U Kyaw Tin, and responsible personnel.

NCGUB Says Missing Minister in 'SLORC Hands'

BK3103100994 Oslo Democratic Voice of Burma in Burmese 1430 GMT 30 Mar 94

[Text] Dear listeners: The National Coalition Government of the Union of Burma [NCGUB] issued a statement today saying it has received news that U Myint Maung, a NCGUB minister who has been reported missing since 25 March, is in the hands of the SLORC [State Law and Order Restoration Council].

The statement says U Myint Maung, NCGUB minister of agriculture and forests, disappeared on 25 March while en route from Chiang Mai to Bangkok. When the NCGUB began investigating the disappearance, it received news he had fallen into SLORC hands. U Myint Maung was elected as a representative from Einme Township constituency 2, Irrawaddy Division in the 1990 elections.

Similarly, two NCGUB ministers—Minister U Win Ko and Minister U Hla Pe—were assassinated while traveling in 1993. The NCGUB is highly suspicious of the SLORC's role in the two murders and the recent disappearance of Minister U Myint Maung.

Minister Cites Economic Developments

BK3003151394 Rangoon Radio Burma in Burmese 1300 GMT 30 Mar 94

[Text] Brigadier General Abel, minister of national planning and economic development, explained the situation of Myanmar's [Burma] economic developments to visiting prime minister of Singapore, Mr. Goh Chok Tong, his delegation, and the Singaporean businessmen who accompanied the prime minister, at the International Business Center on Prome Road, Yangon [Rangoon], at 0900 this morning.

The ceremony was attended by Deputy Prime Minister Vice Admiral Maung Maung Khin; Forestry Affairs Minister Lieutenant General Chit Swe; Hotels and Tourism Minister Lt. Gen. Kyaw Ba; Livestock Breeding and Fisheries Minister Brig. Gen. Maung Maung; Finance and Revenue Minister Brig. Gen. Win Tin; Communications, Post, and Telegraphs Minister U Soe Tha; deputy ministers; Myanmar Ambassador U Phone Myint; Charge d'Affaires U Kyaw Myint; responsible personnel from the Foreign Ministry; and invited guests.

Firstly, Brig. Gen. Abel explained the structure of Myanmar and its natural resources, prevailing economic development situation, figures relating to economic and social activities, foreign investment situation and opportunities, and Myanmar's economic developments.

Next, Minister Brig. Gen. Abel and Minister Brig. Gen. Win Tin answered queries raised by the visiting prime minister, his delegation, and the Singaporean businessmen.

National Convention Session Continues

BK3103093294 Rangoon Radio Burma in Burmese 0630 GMT 31 Mar 94

[Text] The National Convention Plenary Session continued at 0900 this morning in the Central Meeting Hall of the President's Residence compound on Ahlone Road, Yangon [Rangoon].

The plenary session was attended by Lieutenant General Myo Nyunt, chairman of the National Convention Convening Commission, Vice Chairmen Lt. Gen. Maung Thint and Brigadier General Myo Thant, and commission members; U Aung Toe, chairman of the National Convention Convening Work Committee [NCCWC], Vice Chairman U Tha Tun, and work committee members; Brig. Gen. Tin Aye, chairman of the National Convention Convening Management Committee, and committee members; delegates; and local and foreign correspondents.

U Tin Maung of the delegate group representing technocrats and the intelligentsia acted as alternate chairperson of the plenary session. Dr. Than Nyunt, Daw May Than Lwin, U San Tha Aung, U Mahn Ohn Maung, U Kan Nyunt, U Soe Maung, U Khin Maung Htoo, and U Sai Aung Htun acted as members of the Panel of Chairmen. U Khin Maung Myint, director general of the NCCWC Office and the official in charge of meetings, acted as secretary of the meeting.

First, the secretary of the meeting announced the session was valid because 654 of the 694 delegates were in attendance. According to the agenda, delegates from the delegate group representing elected representatives read proposals on suggestions to prescribe fundamental principles related to the state, state structure, and head of state chapters that will be included in drawing up the constitution. At the plenary session, Dr. Thein Lwin; U Tun Aung, alias U Tun Tun Hein; U Saw Oo Reh; and U Hla Min—representing the National League for Democracy in the elected representatives delegate group—read proposal reports.

The plenary session recessed at 1120.

The afternoon session of the National Convention Plenary Session is in progress at the Central Meeting Hall of the President's Residence compound on Ahlone Road, Yangon.

Brunei, Malaysia & Singapore

Malaysia

* Defense Minister To Improve Army Capabilities

94SE0074A Kuala Lumpur BERITA HARIAN in Malay 1 Feb 94 p 2

[Text] Kuala Lumpur, 31 Jan—The government will create an army capable of waging modern, conventional war in addition to developing an air force and navy as good as the country's financial resources permit.

Najib Tun Abdul Razak, the minister of defense, said that the government intends to undertake the balanced development of the three services, the army, navy, and air force.

He said: "We want balanced development in all of the services in the Malaysian Armed Forces (ATM), in accordance with the concept of modern, conventional warfare. This is to make sure that the strength of the three services in the Malaysian Armed Forces is suitable and that they can support each other. The only problem is that our financial resources do not make it possible to develop the three services simultaneously. We will concentrate on the development of the Malaysian Army in the future."

He made this statement to reporters in Kuala Lumpur after receiving a visit from Gen Abdul Rahman Abdul Hamid, the commander of the Malaysian Armed Forces, who will retire on 1 February.

Najib said that the development of the Royal Malaysian Air Force (TUDM) is only the first phase in the development of the Malaysian Armed Forces as a whole.

He said: "In the future we will concentrate on the development of the army in accordance with the concept of modern, conventional warfare and the combined arms approach, which is very important for achieving a service which we can be proud of."

According to Najib, in the initial phase of achieving this objective the government will be forced to budget its available resources to increase the strategic assets of the Malaysian Armed Forces.

He said: "In the initial phase many of these strategic assets will involve the combat capability of the air force, because in conventional warfare the control of the air is very important, although it is not decisive. The function of the army is the final step in supporting the air force. However, the state of readiness of the army is also important. The government is aware of this, but our financial resources do not permit us to carry out simultaneous development. This will take time," he said.

At a preceding news conference Gen Abdul Rahman said that the development of the three services in the Malaysian Armed Forces needs to be balanced to permit all of them to carry out their respective functions effectively, if we become involved in war.

He said: "It is true that the army has been left behind, compared to development in other elements of the Malaysian Armed Forces, particularly during the last several years. This is because previously we emphasized resources, and army equipment for carrying on operations consisted of items left over from the struggle against the communist terrorists [1948-1960]. The army is not very well provided for in terms of its equipment. Therefore, we need to purchase more appropriate equipment for the army. To achieve the basic objective of national defense, we must improve the equipment of our armed forces in all aspects, including the army," he said.

* Air Force Awaits Arrival of British Hawks

94SE0084A Kuala Lumpur BY in Malay 15 Feb 94 p 1

[Text] Kuala Lumpur, 14 Feb (BERNAMA)—Plans are now being made to fly 10 Hawk 100 planes to Malaysia at the end of this month, a Royal Malaysian Air Force (TUDM) officer said today. These are modern jet trainers that have been by bought by Malaysia. TUDM pilots will fly the planes from Britain to the TUDM air base at Butterworth. The officer said British Aerospace (BAe) will deliver nine more Hawk 100 planes in stages before the end of this year.

The first ten of the two-seat planes were accepted by Air Force Commander Lieutenant General Datuk Abdul Ghani Abdul Aziz from Kevin Smith, director of BAe Military Aircraft Division, in a short ceremony at Wharton Aerodrome at Preston in Britain last month.

The Hawk 100 planes were bought under a memorandum of understanding (MOU) worth 2.4 billion ringgit signed by Malaysia and Britain in 1988. The TUDM also ordered 18 Hawk 200 planes under the same contract. The TUDM will be the first air force in this region to use the British-made planes. Indonesia reportedly will buy planes of that type, too.

Both the Hawk 100, a modern all-weather jet trainer, and the Hawk 200, a light fighter plane with one seat, use Mk 871 Rolls Royce Adour engines. The first Hawk 200 will be flown here in July. Deliveries of the plane will begin in May and will be completed in February 1995.

The MOU also provided for training facilities for TUDM pilots and airport staff, including technicians, under a reciprocal program. As many as 69 TUDM technicians will attend 20 types of courses. Four selected TUDM pilots, who have completed a three-year training program, will be instructors in a new squadron to be formed at Butterworth Air Base. They are now at Wharton to accept the Hawk 100's.

In December 1990, Malaysia reached an agreement under a similar MOU for a 400-million-ringgit reciprocal contract involving the transfer of technology to Malaysian defense-related industries such as the Malaysia

Explosives Company, a producer of military equipment in this country, and Airod Sdn. Bhd. [limited corporation], a privatized facility for overhauling aircraft.

The reciprocal program for the supply of domestic airborne military equipment and weapons (bombs and guided missiles), support equipment, and repair and overhaul facilities provides Malaysia with adequate support for Hawk planes.

Meanwhile, preparations for creating support facilities at Butterworth Air Base have been moving smoothly since the arrival of replacement equipment for Hawks at Klang Port last July. BAe and suppliers of other Hawk components, such as Rolls Royce and Westinghouse (radar systems), will provide field service to the TUDM for 24 months after the planes are received.

* Military Chief To Serve Minimum of 3 Years

94SE0090A Kuala Lumpur UTUSAN MALAYSIA in Malay 9 Feb 94 p 2

[Text] Kuala Lumpur, 8 Feb—The Minister of Defense will revise the periods of service of those who hold the post of Armed Forces commander to enable them to serve longer despite reaching retirement age.

Minister of Defense Datuk Sri Najib Tun Razak said that under this revision, a person serving as Armed Forces commander may hold the position for at least three years. Because of compulsory retirement, the periods currently served sometimes do not reach a year.

"Although the present period of service is fair for everyone, it will be improved in two years, when the Armed Forces commander will be given at least three years to direct the Malaysian Armed Forces (ATM)," he said. He said this as a special guest on the Forum program aired by TV 1 tonight.

As an example, the new Armed Forces commander, General Tan Sri Borhan Ahmad, will have the opportunity to lead the Armed Forces for only 11 months, because he is scheduled for retirement at the end of this year. Similarly, the previous commander, General Tan Sri Abdul Rahman Abdul Hamid, had the opportunity to lead the Armed Forces for only a year because of retirement.

In this connection, Najib said that although the present term of service of the Armed Forces commander is short, it will not hurt ATM planning.

"This is because those who are to be promoted to replace the Armed Forces commander when he retires were also involved in earlier planning. This means that whenever we make a decision at the Ministry of Defense, it is not the decision of one commander alone but is a collective decision," he said.

In the interview, Najib did not reject the possibility that in the future the post of Armed Forces commander will not be limited to candidates from the Army only.

He said that in order for an Air Force commander or Navy commander to become Armed Forces commander in the future, both positions will be raised to the rank of general to be on a par with the Army commander.

"At present, the Air Force commander is a lieutenant general with three stars, and the Navy commander is a vice admiral with three stars, whereas the Army commander is a general with four stars," he said.

When asked when the Air Force commander or Navy commander will hold the post of Armed Forces commander, he said that it depends on time and conditions.

"We need time to apply new doctrines, and this will be implemented when the doctrines have become established," he said.

He said that appointments to Armed Forces commander have focused on candidates from the Army because in the past Malaysia concentrated its attention on eliminating communist terrorists.

"In the future, however, attention will be more on conventional warfare, involving combinations of the three ATM services. Therefore, the future designation of Armed Forces commander will be based on the personal qualifications and capabilities of the candidates," he said.

The forum was chaired by BERITA HARIAN reporter Mohamed Shah Abdullah, while panel members were UTUSAN MALAYSIA reporter Zulkiflee Bakar and BERNAMA reporter Mohamed Fuad.

* Anwar Ibrahim Criticizes PBS Development Efforts

94SE0085A Kuala Lumpur UTUSAN MALAYSIA in Malay 14 Feb 94 p 2

[Text] Kota Kinabalu, 13 Feb—The ruling party, the Sabah United Party (PBS), has never been serious in its efforts to develop and advance the state.

Deputy Prime Minister Datuk Sri Anwar Ibrahim said the matter is evident from the attitude of the PBS, which has never made any request of the Federal Government regarding development and progress for the benefit and comfort of the people of Sabah.

"In the more than four years since the PBS left the National Front (BN), the PBS has never made any clear or serious request for the purpose of developing the State of Sabah," he told reporters today at Papar Mosque, about 50 kilometers from the state capital, when interviewed at a meeting with the public to break the fast.

Also present at the meeting were Osu Sukam, BN candidate from the Kawang District, and Rahim Ismail, BN candidate from the Buang Sayang District, who are, respectively, president and deputy president of the UMNO [United Malays National Organization] Papar Division.

Anwar, who is also minister of finance, said that from the time the PBS stabbed the BN in the back until now, the Central Government has never received any letter from the party for the purpose of obtaining allocations for development for the benefit of the people of Sabah.

"All that the Central Government received from the PBS was a request for privatization projects, including the privatization of Sabah Forest Industries (SFI), which would benefit merely a few PBS leaders," he said.

On the same subject, Anwar advised the people of Sabah to be cautious of PBS political propaganda as the election approaches. He said the people of Sabah must not let the PBS buy their dignity during the "election fever" season before the eighth Sabah State Legislature election, now only about four days away. According to Anwar, the PBS will soon use its money "distribution" tactic among the people of Sabah.

"I will not be surprised if the PBS soon distributes two or three hundred ringgit to every Sabahan. But what is the value of that amount of money over five years? Where are our national values and what is the value of our dignity if our eyes are closed by two or three hundred ringgit distributed every five years?" he asked.

Anwar called on the people of Sabah to eliminate the PBS in this election in order to move in a more meaningful direction in the future. He said the people of Sabah who are Muslims have no choice other than to bring down the PBS, which does not respect Sabahans who follow Islam.

* MCA Commended for Relaxing Membership Rules

94SE0068A Kuala Lumpur BERITA HARIAN in Malay 18 Jan 94 p 10

[Unattributed editorial: "MCA [Malaysian Chinese Association] Carves New Image"]

[Text] The MCA [Malaysian Chinese Association], which this year celebrates its 46th anniversary, has presented a new concept by opening the door of membership more widely to include anyone with blood connections or ties with those of Chinese ancestry. This step changes the scope of the MCA struggle from an entirely Chinese "gallery" to a more liberal position for the sake of people who have ties with the Chinese. MCA members have accepted the motto "One heart, one outlook," as embodied in a resolution passed by the party's 40th general assembly last year. It also demonstrates the MCA effort to rebuild its image after facing a number of crises.

In truth, this step by the MCA is consistent with the way in which the people of this country solve problems through compromise and tolerance. It is also the principle used by the National Front (BN) leadership, which has proved itself successful in creating communal harmony in this country through the unity of parties in the Peninsula, Sabah, and Sarawak. The BN not only emphasizes political stability but also ensures economic development for every citizen in an equitable way.

Groups with Chinese ancestral blood ties, who previously found it difficult to select a party, are given opportunity to join the MCA, now that differences of names, ethnic group, and religion have been eliminated from the party's policy. We believe that in the past many such groups asked for membership in the party but were blocked by the party's strict policy. They chose the MCA or other BN component parties because they did not want to join opposition parties, which are clever at talking but are bereft of any implementation of concepts for advancement of the people. The statement of BN Chairman Datuk Sri Dr. Mahathir Mohamad that component parties were free to open their memberships to anyone as long as they promised to adhere to the principles of the BN's struggle further encouraged MCA leaders to carry out their plan.

We believe that the MCA's action to increase the party's membership, which is now 620,000, is for the sake of political stability and communal harmony. We believe that other parties in the BN support the MCA's efforts. This is the second phase in the MCA's campaign to add members from people of the same communal group. Of the 6 million people of Chinese descent in this country, many faced problems in joining the party because of this identity obstacle. Until now, the MCA has tried to find more professionals or Chinese fluent in English to join the party. The MCA realized that it could not keep such an expensive requirement for membership, because social conditions in society have greatly changed.

The people were thinking far ahead, while restrictive policies had not yet been adapted to conditions. They could not allow a large number of people with blood ties to drift without protection. In our opinion, changes in the party's membership requirements will not change the MCA's identity, although they may include changes in the party's policies. This was proved to UMNO [United Malays National Organization], which opened membership to Bumiputra [Malays and other indigenous peoples] in Sabah and in the Portuguese and Thai communities.

In the MCA's efforts to take a positive, progressive, and constructive initiative, it had to open new dimensions for the communal group of its own race that had no party representation. Their presence can help the country make sociopolitical changes by cooperation under a single outlook. The important thing is that in the next 26 years prior to 2020, each citizen will be able to enjoy the rapid economic growth for which we have been striving together. Actually, this is the aspiration of every individual in this country, regardless of communal status.

This, of course, differs from the attitude of the opposition parties, which in practice have a negative attitude and take destructive action. If there is a dissenting voice from the opposition parties after this, it will be a voice of disappointment over losing their opportunity to influence groups without party representation and that now have a safer refuge. The opposition parties are good only at empty rhetoric and do not make any constructive contribution to the people as a whole.

* Infrastructure Projects Popular With Investors

94SE0087A Kuala Lumpur BERITA HARIAN in Malay 12 Feb 94 p 6

[Text] The property sector will continue to be the first choice of investors throughout 1994 because of the various land and building development projects now being implemented and the large number of projects scheduled for this year. Several market analysts predict that spending in the land and building sector in Malaysia will remain high and that construction will continue to experience rapid double-digit growth over the next three years.

One analyst said that construction of the Kuala Lumpur International Airport (KLIA) at Sepang alone will cost 8 billion ringgit. The giant project will spawn many construction contracts worth more than any in the past.

The analyst listed IJM Corp. Bhd. [Limited], Pelecon Engineering Bhd., Sungei Way Holdings Bhd., and United Engineers Malaysia Bhd. as the three construction companies best prepared to compete for the contracts. He said the selection of a company will be based on the company's capabilities as shown by previous accomplishments, financial and management performance, and preparedness from the aspect of capital and skills.

Another analyst said that the property "counter" will continue to have bright prospects for investment portfolios because the industry will be affected by a positive synergism.

He said current factors consist of six principal projects now under way: a series of roads worth 1 billion ringgit in the Kuala Lumpur area, roads and highways in the eastern part of the Peninsula (500 million ringgit), Tenaga Nasional [National Power] Bhd. electric power plant and transmission cable projects (11 billion ringgit), a Telekom Malaysia Bhd. project (8 billion ringgit), a water supply project (2 billion ringgit), a twin runway project, and KTM [Malayan Railways] Bhd. electric trains (1.2 billion ringgit).

Article Views Participation in UN Peacekeeping

BK3103025594 Singapore BUSINESS TIMES (INSTITUTE OF SOUTHEAST ASIAN STUDIES TRENDS Supplement) English 26-27 Mar 94 p 1 (tentative)

[By Dr. Johan Saravanamuttu]

[Text] Lately, there has been an upbeat air about Malaysia peacekeeping operations under the aegis of the United Nations. The reason for this foreign policy approach is rather different from Malaya's purported original purpose in sending some 1,413 soldiers to the Congo in its first UN peacekeeping operation in 1960. Then it was to prop up a besieged UN Secretary-General in his fledgling peacekeeping role which a small nation like Malaya felt could blunt the edge of Cold War politics.

Today, it would seem more like the manoeuvrings of an aspirant middle power flexing its political sinews on behalf of itself, the Third World, the South and Islam, whichever way one chooses to look at it.

On March 12 this year, Defence Minister Datuk Sri Najib Tun Razak made it a point to advertise Malaysia's contribution to UN peacekeeping operations in a ceremony bestowing a national award to all soldiers and personnel who had served with the UN in such operations. Some 2,555 officers and men are currently serving in UN peacekeeping duties in Bosnia (1,512), Somalia (982), Mozambique (19), Liberia (17), Cambodia (11), West Sahara (6), Iraq and Kuwait (5), Angola (1) and at the UN in New York (2).

The three most prominent recent and current peacekeeping operations in which Malaysia has been involved include actions in Cambodia, Somalia and Bosnia. Most recently. Malaysia's UN peacekeeping role has gained a significant fillip for better or worse as Malbatt II (Malaysian Battalion II) in Somalia prepares to take over from the Americans when they pull out of Mogadishu on March 31. Today, Malaysia's foray into Bosnia-Herzegovina represents not only its current largest involvement but arguably its most difficult mission both from the military and political standpoints.

In that regard, Malaysia's particular posture and current actions in UN peacekeeping are calculated to match its vision to become a developed country by the year 2020, which is also part of a trajectory towards middle power status in world politics. Notwithstanding this, in behaving as a nation-state, Malaysia acts not merely at the direction of its leaders but is demonstrably sensitive to and constrained by its domestic situation and the ever-changing international environment.

The end of the Cold War has brought about a rash of UN peacekeeping and would-be peacekeeping operations which has put not only an unprecedented strain on the UN's budget but has also taxed the tempers of its members.

The US-led coalition's actions against Iraq during the Gulf War of 1991 generated angst among Muslim populations, including Malaysians, and this has now gravitated to Bosnia-Herzegovina. It takes little explaining as to why a country like Malaysia has cried foul over the excruciatingly tardy pace at which the West has deemed it fit to act with force in Bosnia, and that too on a scale and level well below that of the action in the Gulf. Malaysia's strident stance on the Bosnian issue stresses this "double standard" of the West, which, it hopes, rests on economics (the oil factor of Kuwait) and not Western ethnocentrism or xenophobia (the birth of an Islamic Balkan state).

Thus, it may be argued that Malaysia' involvement in the Unprofor (the UN Protection Force) operation in Bosnia is as much motivated by politics geared or targeted either at the international Islamic audience or the predominantly Muslim population at home. This is not to say that humanitarianism is not a factor in such policies but perhaps altruism dovetails well here with political motivation. The politics, one hastens to add, is borne of a genuine concern with Western callousness and double standards on human rights and its lack of appreciation of Islamic perspectives.

In contrast, the Cambodian action which now counts among one of the UN's successful peacekeeping and peacebuilding operations presented no political dilemmas to Malaysia or conflict with the West. Indeed, Asean's high profile in the Cambodian conflict as well as in its resolution phase meant that participation in the peacekeeping effort was almost a foregone conclusion for Malaysia. Add to that Cambodia's geographical proximity and potential economic links with Malaysia which have now been firmly established through air links, banking, trade and other flows. Two Malaysian soldiers perishing in the line of duty (succumbing to Malaria, not the bullets of the Khmer Rouge) were from the country's viewpoint, a small sacrifice for the winding down of the last serious international political conflict in Southeast Asia.

All said, Malaysia's foray into UN peacekeeping and peacebuilding operations has been approached with calculated expediency even as Malaysia has in a real sense taken to heart Secretary-General Butrus Butrus-Ghali's call for effective preventive diplomacy, peacemaking and peacekeeping in his "Agenda for Peace" speech at the 1992 47th Session of the General Assembly.

Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed, in his vision to turn the country into a developed country is clearly aware that the principle of noblesse oblige applies in domestic as well as in international affairs. The economic development and rising affluence of Malaysia has made it possible to pursue such a principle wherein one of the ways is to contribute to maintaining international security. Doing so through the UN is the least controversial and perhaps the most prestigious approach.

In championing the cause of the Southern countries and the Third World, it would also seem fitting that a country like Malaysia should consciously engage in UN actions which would otherwise come under the direct purview or control of major powers should the smaller states opt out of them.

Indeed, as is perhaps becoming more evident in a situation such as in Somalia, the presence of smaller powers is often less counter- productive to that of big powers, which tend to elicit accusations of ulterior motives. This said, one must quickly caution that playing the role of UN policeman in these turbulent times may certainly enhance national status but it is often a dismal task in which the dividends are few and the frustrations legion.

Singapore

U.S. Teen's Appeal on Caning Sentence Rejected

BK3103124994 Singapore Singapore Broadcasting Corporation in English 1100 GMT 31 Mar 94

[Text] In the High Court today, the appeal of Michael Peter Fay was dismissed. Chief Justice Yong Pung How said that he was satisfied that the district judge had taken into consideration all the relevant facts. Michael Fay had appealed against the sentence of four-month jail and six strokes of the cane for two counts of vandalism.

The chief justice said he had duly considered the psychiatric report and the background of the accused. He said he could not accept that the pre-sentencing report, which could call for probation, should have been made. This has been suggested by the Queen's Counsel, Mr. Michael Sherrard. Twenty charges had been taken into consideration, in which 16 were for acts of vandalism. The chief justice said he considered that Michael Fay had committed the acts of vandalism deliberately and willfully, which amounted to a calculated cause of criminal conduct over 10 days.

PLO's Faruq Qaddumi Begins Four-Day Visit

BK3003010594 Singapore Singapore Broadcasting Corporation in English 1400 GMT 29 Mar 94

[Text] The head of the Palestine Liberation Organization's Political Department, Mr. Faruq Qaddumi, is in Singapore for a four-day visit. During his stay he will call on Senior Minister Lee Kuan Yew and Foreign Minister Professor S. Jayakumar, who will also host a dinner for him. Mr. Qadduni will also be briefed on Singapore's economic development during his visit to, among other places, the National Productivity Board.

All Defendants Found Guilty in Secrets Trial

BK3103085294 Singapore Singapore Broadcasting Corporation in English 0830 GMT 31 Mar 94

[Text] All five persons charged with violating the Official Secrets Act were today found guilty of all the charges brought against them. They are: Sharman Shanmugaratnam of the Monetary Authority of Singapore, Manu Bhaskaran and Raymond Foo of Crosby Securities, and Patrick Daniel and Kenneth James of THE BUSINESS TIMES. The offenses arose as a result of THE BUSINESS TIMES article in June 1992, which carried a flash estimate for the second quarter of economic growth that year. The judge is considering [words indistinct] which had breached the Official Secrets Act before passing the sentence.

Cambodia

SRV Prime Minister To Visit Cambodia

BK3003055594 Phnom Penh National Radio of Cambodia Network in Cambodian 0200 GMT 30 Mar 94

[Text] The Ministry of Foreign Affairs and International Cooperation on 30 March issued a press communique as follows:

At the invitation of Prince Krompreah Norodom Ranariddh and Samdech Hun Sen, respectively first and second prime ministers of the Royal Government of Cambodia, His Excellency Vo Van Kiet, prime minister of the SRV, will pay a friendly official visit to the Kingdom of Cambodia from 2 to 3 April 1994.

Khieu Samphan Prepares To Return to Phnom Penh

BK3103103294 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 31 Mar 94 pp 1, 2

[Text] Reports about the readiness of the Royal Government of Cambodia [RGC] and the Khmer Rouge to attend a meeting were heard while fighting was underway in northwestern Cambodia. Now there is a report that Khieu Samphan is prepared to return to Phnom Penh.

In Sopheap, the Democratic Kampuchea representative in Phnom Penh, has said: We are prepared to meet to solve this problem. Samdech Hun Sen, second prime minister of the RGC, was quoted as saying on 28 March that the government is leaving the door open for talks with the Khmer Rouge. Moreover, Prince Kromkhun Norodom Sirivut, deputy prime minister and minister of foreign affairs, said in Bangkok on 28 March: I hope the Khmer Rouge will listen to the advice of the king father of the nation and sit down at the negotiating table.

It is worth recalling that Prince Kromkhun Norodom Sirivut recently informed domestic and international reporters of the king's desire to see national reconciliation among Cambodians and an end to the bloodshed.

While the conflicting parties' intent to reach a peaceful solution is being heard, there is also a rumor that Khieu Samphan, the nominal leader of the Khmer Rouge, will soon return to Phnom Penh. The Democratic Kampuchea official did not confirm or deny this report.

It is known that His Majesty King Norodom Sihanouk and the queen will return to Phnom Penh on 8 April. Prince Kromkhun Norodom Sirivut says he hopes that talks with the Khmer Rouge will resume at that time.

The talks have been adjourned since mid-January following a series of futile talks between First Prime Minister Prince Krompreah Norodom Ranariddh and Khieu Samphan. Nevertheless, Samdech Hun Sen has said: Our position remains unchanged. We are keeping the door open and are considering the possibility of such a meeting when the king returns.

Khieu Samphan's whereabouts are currently unknown. A military source, however, has disclosed that Pol Pot is staying in Kum Rieng village, only a few kilometers north of Pailin. He fled Pailin two days before the stronghold fell to the government.

Information Ministry Officials Visit Thailand

BK3003084894 Phnom Penh National Radio of Cambodia Network in Cambodian 0500 GMT 30 Mar 94

[Text] His Excellency [H.E.] Khieu Kanharit and H.E. Ung Teaseam, respectively state secretary and under state secretary for information, left Phnom Penh on the morning of 29 March for a three-day working visit to the Royal Kingdom of Thailand from 29 to 31 March. In Thailand, their excellencies will lead a number of national and international reporters and TV crew, including those from National Radio of Cambodia, AKP, BBC of Great Britain, VOA, AFP, CAMBODIAN TIMES, ABC of Australia, PHNOM PENH POST, KYODO of Japan, INDOCHINA REPORT, LE MEKONG, and so on to visit an area bordering Cambodia in Surin Province of Thailand. They will hold a news conference there.

Kompong Chhnang Airfield Attacked 28 Mar

BK3103054094 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 30 Mar 94

[Text] On 27 March, the communist Vietnamese puppets and two-headed government gathered their forces, which were ready to be shipped to join their troops in Pailin, at the Kompong Chhnang provincial airfield. On 28 March, the people and National Army of Democratic Kampuchea [NADK] attacked and dispersed the forces, killing nine enemy soldiers and wounding more than 10 others. We also destroyed over 10 assorted armaments, two control posts, three military buildings, and some war materiel.

On 28 March, the people and NADK attacked the position of a company, which is part of the invading forces in Pailin. We killed five enemy soldiers, wounded three, and captured another, and seized 15 AK and an AR-15 assault rifles.

Fight Reportedly Continues in Pailin

BK3103055394 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 30 Mar 94

[Text] Here is a continued report on the Pailin battlefield from 26, 27, 28, and 29 March:

I. On 26 March, the people and National Army of Democratic Kampuchea [NADK] further attacked the invading forces. Some continued to cut the enemies' throats: 1. from Suosdei to Pailin; 2. from Suosdei to Krek; 3. from Phnum Kon Damrei to Sala Krau; and 4. completely cutting off the invading forces' transport lines from Kamping Puoy and Kap Chen and along the Mongkolborei River. Others were split into groups to attack the invading forces in many areas—they especially attacked the forces moving along the roads, including tanks and ground troops, causing them to sustain constant damage.

In sum, the situation on 26 March was that the people and NADK initiated attacks on the invading forces by cutting their throats, smashing their ground forces to pieces, and attacking their tanks one after another, causing them to lose control gradually in the perimeters or traps of Sala Krau and Pailin.

II. On 27 and 28 March, the people and NADK continued to attack the invading forces. Some continued to cut off the forces' narrow transport lines, in particular the routes linking Suosdei and Pailin, Suosdei and Treng, and Phnum Kon Damrei and Sala Krau. As for other roads, they were completely cut off, causing the invading forces to lose control. Those in Sala Krau and Pailin were surrounded by the people and NADK from all directions. In this situation, the people and NADK attacked the invading forces in many areas, including those in Pailin, Sala Krau, and along the inner roads. We attacked both the ground troops and tanks.

On 27 and 28 March, the salient situation was that the invading forces began to lose control gradually:

1. They could not supply fuel, ammunition, and foodstuffs;

2. An increasing number of them were afflicted with Malaria and typhoid and there was no medicine for treatment;

3. Soldiers, especially new recruits, continued to break ranks in large numbers, making the invading forces extremely short of troops. They were not even able to occupy the tiny town of Pailin, the size of which is one square kilometer. They ordered hundreds of their troops in Pailin and Sala Krau to defend the two areas, but they were not able to because they were constantly attacked by the people and NADK.

In sum, on 27 and 28 March, the people and NADK killed 67 invading soldiers and wounded over 70 others. They also destroyed 40 assorted guns and seized 27 others. There was a significant decrease in the activities of cannons—during these two days only a few rounds were fired. Tanks hardly dared carry out activities; they only protected the invading forces' bases. As for military leaders of the communist Vietnamese puppets and two-headed government, they lamented in their conversations over the difficult situation; the lack of ammunition, food supplies, fuel, and medicine; and about the malaria and diarrhea problem. Some soldiers defied commanders' orders to fight in this or that area, while others said they could no longer stay and asked for a transfer. This is because if the troops, commanders, and tanks remained, they would be smashed to pieces.

It is worth pointing out that within the perimeters of Sala Krau and Pailin, the invading forces can only conduct their operations with tanks, which were used as both combat forces and as a means of transport. As for the ground troops, many of them were killed and wounded every day. This situation terrified the tanks because they had no ground support and no other vehicles joined them in carrying out operations. As such, there was a gradual decrease in the tanks' activities, causing the spirit of the communist Vietnamese puppets and two-headed government troops, which rely on tanks, to increasingly tumble. Moreover, the continued rain downpours caused the invading forces to become more terrified because it was extremely difficult for the ground troops to move or to carry supplies from this or that area. This was due to, on the one hand, the slippery and muddy ground and, on the other, mines and attacks constantly mounted by the people and NADK to cut them into several segments.

III. On 29 March, the people and NADK initiated an assault on the invading forces. In particular, they:

1. Continued to cut off their supply lines;

2. Attacked Sala Krau from three directions—the east, north, and west.

In the fighting on the afternoon of 29 March, the people and NADK destroyed two tanks and damaged two others, and they killed more than 40 enemy soldiers and wounded over 60 others. On 29 March, it was the beginning of a new battle scene within the perimeters of Sala Krau and Pailin in a situation where the invading forces' throat was completely cut. From now on, it will be fighting inside the perimeters of Sala Krau and Pailin only. It is a battle inside a trap where the invading forces are encircled from all directions and completely cut off.

The situation which has developed every day until 29 March has more clearly demonstrated that:

1. The invading forces are unable to occupy Pailin. This is in accordance with the concrete situation and also predictions and assessments made by international observers since the beginning of the attack on Pailin by the invading forces.

2. Cutting the invading forces' throat and the beginning of the battle inside the perimeters of Sala Krau and Pailin, especially on 29 March, show that the time for the people and NADK to force the invading forces out of the Pailin region is nearing rapidly.

Khmer Rouge Captures Two T-54 Tanks 29 Mar

BK3103063694 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 30 Mar 94

[Text] On 28 March, the National Army of Democratic Kampuchea [NADK], in cooperation with the people, launched a commando attack on the Sala Krau position, killing seven enemy soldiers and seizing seven AK assault rifles. The remaining enemy troops were forced to retreat into the jungle.

On 29 March, the NADK attacked the 12th Division, which was temporarily stationed at Sala Krau. The fighting lasted five and a half hours. While the NADK was attacking the unit, four T-54 tanks and 200 ground troops were sent to help their companions. However, we killed 24 of them and wounded several others. We also burned two T-54 tanks, captured two others, and destroyed two military trucks. We also recaptured and reoccupied the summit of Srang Hill. We will continue to attack and destroy the remaining enemy troops at Sala Krau.

Townships of Moung, Bakan Attacked 28-29 Mar

BK3103072394 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 30 Mar 94

[Text] On 28 and 29 March, the people joined forces with the National Army of Democratic Kampuchea [NADK] in assaults against the invading forces of the communist Vietnamese puppets and two-headed government that had gathered at the Moung District township and the railway station to be shipped to the Pailin battlefield.

The communist Vietnamese puppets' state authorities had gathered their invading forces from diverse areas in Moung District at the district's township and railway station, from where they were to be sent as reinforcements to the Pailin region. When the people learned about this, they joined hands with the NADK to attack and disperse the soldiers. As a result, we killed 15 enemy soldiers and wounded more than 40 others. Taking that opportunity, many soldiers freshly recruited by the communist Vietnamese puppets' state authorities fled for home. The people and NADK also destroyed five barracks, eight vehicles, and 300 meters of railroad.

On the same day, the people and NADK attacked and destroyed the communist Vietnamese puppet' invading forces. They regrouped at Bakan District's township of Trapeang Chong on Route National 5, killing 17 enemy soldiers and wounding more than 20 others.

The state authorities of the communist Vietnamese puppets and two-headed government in Moung District and at Trapeang Chong were terrified and fled for their lives. Some run away to the Pursat provincial town, while others hid themselves at Boeng Khna in Svay Don Kev. National Route 5 and the railway lines have been cut off since 28 and 29 March.

Indonesia

* Suharto Proposes Initiatives for Bosnia

94SE0072A Jakarta KOMPAS in Indonesian 27 Jan 94 pp 1, 14

[Text] Indonesia, as chairman of the Nonaligned Movement (NAM) will propose initiatives for an International Conference on Bosnia-Herzegovina. For that purpose, President Suharto has instructed the head of the Chairman's Administrative Board of the Nonaligned Movement (BPK NAM) to look into possible ways of implementing this. In addition, Indonesia is planning to open diplomatic relations with Bosnia-Herzegovina. Indonesian wishes in these matters were revealed at talks held between President Suharto and Alija Izetbegovic, the president of Bosnia-Herzegovina, at the presidential palace in Jakarta yesterday.

Minister/State Secretary Murdiono told reporters that the two parties gave serious consideration at the talks, which lasted from 9:30 to 10:30 AM, to the possibility of holding an International Conference on Bosnia-Herzegovina. Murdiono said that President Suharto gave direct instructions to Nana Sutresna, the head of the BPK NAM, to look into and make preparations for a possible conference. More particularly, President Suharto asked Nana Sutresna to instruct the Indonesian ambassador to the U.N. in New York to discuss this matter with the NAM Coordinating Bureau.

Besides that, as chairman of the NAM, Indonesia will ask the international community to treat Bosnia fairly. The minister/state secretary said that the fact that the international community has been treating Bosnia unfairly is clear from the embargo, which has also been imposed on Bosnia, since Bosnia is far less powerful militarily than Serbia.

In response to questions from reporters about holding a conference, Murdiono said that he could not yet imagine what the composition of such a conference would be. "Would Indonesia be the host or not?" he said.

The idea must be developed and gain positive and wide-spread support. He asserted that the idea of holding an international conference is an Indonesian initiative, in President Suharto's position as chairman of the NAM.

Murdiono went on to say that both heads of state agreed to immediately open diplomatic relations. This means that Bosnia-Herzegovina will have an ambassador to Indonesia. An Indonesian ambassador would be accredited to Bosnia or to Sarajevo. However, he said that the matter cannot be resolved as easily as that because it is a high-level decision and would take time. "As an example, the Bosnian ambassador would not necessarily be located in Jakarta and the Indonesian ambassador would not necessarily be located in Sarajevo. But, as I said earlier, he could be accredited and he could be posted to Jakarta," the minister said.

As for the possibility that Indonesia would send military aid, Murdiono said that the matter had not been discussed at this meeting. "I only want to remind you that humanitarian aid has been sent there in the past," he explained.

Murdiono once again emphasized that the reasons behind the effort to lift the weapons embargo on Bosnia are that Bosnia is in a weaker position, from the point of view of the balance of power. That is why in the past President Suharto, as chairman of the NAM, instructed the ambassador and permanent representative of Indonesia to the UN to fight for the lifting of the embargo. Murdiono admitted that the fight had not yet been successful.

At the same time, at a news conference held after the talks, President Alija Izetbegovic said that Indonesia is a large and very influential country which is now in the position of chairman of the NAM from 1992 to 1995. Indonesia, he continued, is also influential in the Islamic Conference Organization (ICO).

Therefore, Izetbegovic respectfully asked President Suharto to use his influence in the NAM to lift the weapons embargo against Bosnia. "Because the embargo is really aimed at Yugoslavia, and Bosnia isn't Yugoslavia," said Izetbegovic.

Izetbegovic made his official remarks in English. But when he answered reporters' questions, he used his native language, which his son Sabina Berberovic then translated into English. He was accompanied by Subrata, director general of the PPG [Press and Graphics Development]; by Susilo Sudarman, foreign minister ad interim; by A. Tahir, ambassador-at-large for the European Region of the NAM; and by Muhamed Sacirbey, the Bosnian ambassador and permanent representative to the UN in New York.

He said that the only way to achieve peace is through a balance of military power. Without this balance of military power, every negotiating technique will end up dictating against Bosnia. "That is why the Geneva peace talks failed," he said.

"That is also why I am asking President Suharto to use his influence with the ICO to continue their political support and humanitarian aid to Bosnia," added Izebegovic. He said that if the aggression goes on for a long time, the weapons embargo must also be matched by the imposition of an air embargo. This step is important in opposing Serbia and the other forces which are hampering the shipment of humanitarian aid to Bosnia.

Izetbegovic said that Bosnia is very similar to Indonesia in several respects. "Bosnia is also a multicultural, multireligious nation and a pluralistic society," he said. "We think that perhaps Indonesia and the Indonesian people alone can understand our problems," he added.

The talks between President Izetbegovic and President Suharto lasted from 9:30 to 10:30 AM West Indonesia time. At the same time, talks also took place between Nana Sutresna, the head of the BPK NAM, and Muhamed Sacirbey, the Bosnian ambassador and permanent representative to the UN.

Izetbegovic considered his meeting with President Suharto to be very useful and constructive. Izetbegovic familiarized President Suharto with all aspects of the present situation and the history of the Bosnian crisis, especially its political and military aspects. In particular, he conveyed his thanks to the Indonesian nation and people, who have always supported the Bosnian people's struggle.

Murdiono said that President Suharto in turn familiarized his colleague from Bosnia with the history of the struggle of the Indonesian people from the time they obtained their freedom until they received international recognition. President Suharto emphasized that the struggle for Indonesian freedom required a combination of military struggle and diplomatic struggle.

After these private talks Izetbegovic prayed at the Istiqlal Mosque. Then, at about 12:00 noon, he kept to his promise to meet with reporters. Unfortunately, before the reporters could finish asking their questions, Director General of the PPG Subrata ended the meeting saying that President Izetbegovic had to leave for Halim Perdanakusuma Airport.

Earlier, the Indonesian Islamic Committee for Bosnia-Herzegovina and the Al-Irsjad Institute had contributed money in the form of a check for $94,000, 64 rings, 15 necklaces and 33 earrings. All of these contributions, which were collected spontaneously, were handed over by Anwar Haryono, chairman of the Indonesian Islamic Missionizing Board and accepted by President Izetbegovic.

When he was saying his midday prayers at the Istiqlal Mosque, President Izetbegovic expressed his gratitude to the Islamic community, which had always taken part in the Bosnian-Herzegovinian struggle. He also expressed his admiration for the attitude of the Indonesian people, who have always helped and supported the Bosnian people's struggle.

He said that his visit to the Istiqlal Mosque had not been on the list of events or part of state protocol. He admitted that he had known of the existence of the Istiqlal Mosque for a long time. "That's why since I'm in Indonesia why not pray here and see this glorious mosque for myself," he said.

The Bosnian presidential party arrived at Istiqlal at 1:00 pm West Indonesia time and that is why they prayed as a group. In one row there was President Izetbegovic hemmed in by Tarmizi Taher, minister of religion; by Susilo Sudarman, foreign minister ad interim; by Achmad Tahir, ambassador-at-large to the NAM for the

European Area; and by Irfan Ljubijankic, the Bosnian foreign minister, who acted as prayer leader.

* More Talks on Island Dispute With Malaysia

94SE0072B Jakarta KOMPAS in Indonesian 29 Jan 94 p 9

[Text] Talks about the Indonesian-Malaysian dispute over the Sipadan-Ligitan Islands have registered new results. For the first time, the second meeting of the Joint Working Group (JWG) approved the issuance of a joint statement saying, among other things, that a third JWG meeting would take place in Indonesia in May. It was revealed in the joint statement that the two sides had agreed to solve the dispute on the basis of international legal principles. "Included are relevant treaties, conventions, and understandings which involve the two sides," the statement said.

According to a report filed from Kuala Lumpur by KOMPAS reporter Budiarto Shambazy, the second meeting was still dominated by a process of "reciprocal legal testing," i.e., claiming Sipadan-Ligitan through the study of various documents. By studying discussions of this type, it would seem that future discussions will also continue at the level of an exchange of documents and of each side's response to the legal evidence presented.

In fact, the two sides are still discussing—or in the spirit of ASEAN "consulting"—scores of documents to strengthen their claim of sovereignty over Sipadan-Ligitan. There is still no absolute certainty over who really has the rights to Sipadan-Ligitan, even though de facto Malaysia occupies Sipadan Island and has developed tourism there.

At this second meeting Malaysia offered its responses or answers to the legal claims presented by Indonesia at the first meeting held in Jakarta in 1992. After this meeting in Kuala Lumpur, Malaysia will be seeking additional documentation to be presented at the third meeting to be held in Indonesia in May.

"We submitted (the documents) in 1992 and we're only getting an answer now. Of course they're looking for additional documents to strengthen their position. We are also looking for new documents to strengthen (our claim)," said Izhar Ibrahim, delegation chairman (political director general of the Department of Foreign Affairs), who was accompanied by Hasyim Djalal, deputy chairman of the delegation.

Neither of the two chairmen was willing to reveal what is in the documents, estimated to be more than 50 in number, presented by the two sides to legitimate their rights to Sipadan-Ligitan. Both Izhar and the Chairman of the Malaysian Delegation Kamil Jaafar (secretary general of the Department of Foreign Affairs) repeatedly said that it was too soon to reveal what is in the documents.

"We have made every effort and we have reached the maximum possible results, especially since we have agreed on a joint press statement. This is as far we progressed at this meeting. Each side has also presented a number of new documents, treaties and arguments to strengthen its claim for sovereignty over Sipadan-Ligitan," said Izhar.

In broad outline, Indonesia considers that Sipadan-Ligitan is within the area of national sovereignty because it was within the area under Dutch colonial control. Whereas Malaysia believes that the Dutch handed the two islands over to the British, who colonized Malaysia. Each side's claim is also based on where the border is drawn in the area, about which there is a difference of interpretation.

Based on a 1969 agreement, the two countries agreed, but did not sign a written agreement, to the principle of the status quo of the two islands. The dispute arose when Malaysia violated the status quo by building tourist facilities under private management on Sipadan Island.

According to several KOMPAS sources, Indonesia has actually requested that the dispute be settled through the International Court. But Malaysia disagreed with the idea of internationalizing the issue, preferring to carry out bilateral talks.

"(The talks) are bilateral; we're not thinking yet about internationalization," said Izhar, in response to questions about the "internationalization" of the dispute.

Another important result which Izhar said was also reached was an agreement to meet more often and to solve the dispute as quickly as possible. "Both sides want to solve this issue as quickly as possible. We will hold meetings more often," said Izhar.

Izhar gave an evasive reply to the question of whether the Indonesian delegation had reached its goal at the meetings this time. "I can't say we reached the goal, but we tried as hard as we could," he said. Referring to Indonesia's position at the end of the second meeting, Izhar said, "Of course we're in a stronger position. But I can't state what it is yet. We haven't finished collecting all the documents."

After the meetings were over, on Friday afternoon (28 January) Minister of Foreign Affairs Ali Alatas took the opportunity to stop at Subang Airport (Kuala Lumpur) to listen to a report from the Indonesian delegation. Alatas received Izhar, Hasyim, Sudarmadi (the Indonesian ambassador in Kuala Lumpur) and several other delegates in the VIP room of the airport for an hour.

In the meantime, Minister of Foreign Affairs Ali Alatas told reporters at Sukarno-Hatta Airport on Friday (28 January) that the Sipadan-Ligitan dispute would not end in a dead-lock. Even though it has not yet moved beyond the stage of studying each other's data and documents, the two countries have agreed to solve the problem in an amicable way. He admitted that the problem requires expertise and time. Nevertheless, he said that Malaysia had presented its response to the dispute.

In response to questions from reporters, Alatas said that Malaysia had given its response. In order to discuss the dispute, on his trip from Yemen to Jakarta via Kuala Lumpur, Alatas received the response in the form of a report prepared by the Indonesian team, which is "battling" in Kuala Lumpur under the leadership of Drs Izhar Ibrahim, director general for political issues of the Department of Foreign Affairs.

He said that at the meeting in Kuala Lumpur Malaysia had handed over documents to strengthen their position on Sipadan and Ligitan. Indonesia did the same. Alatas said that at the meeting Malaysia had presented its response on the basis of the existing documents. However, the process will continue. In the near future, around May 1994, a high-level meeting (SOM) will take place. Alatas did not state Malaysia's response to Indonesia in a definite way.

In response to the steps that Malaysia has begun to take to occupy the two islands, Alatas emphasized that Indonesia and Malaysia have very friendly relations now. That is why steps that might invite a physical risk should not be taken.

"Should we send in our troops and throw them out? How could we do that, no way we can do that, we don't live in times like that any more, we're friends. We have many interests in common with Malaysia. This is a problem, and we're going to solve it, but in an amicable way. We're in ASEAN together," he asserted.

In response to a question about a possible solution to the Sipadan-Ligitan dispute, Alatas said that at this stage Indonesia and Malaysia had not yet moved away from studying the documentation and the Indonesian and Malaysian legal positions. This part of the process is not over yet and would continue. He said that Malaysia really has a different position on the issue and that is why we have to understand that Malaysia is presenting different documents. In this respect, Indonesia will continue to look into the best possible way to solve the problem.

At one point Malaysia, through Deputy Prime Minister Ghafar Baba (KOMPAS 23 December 1992) did ask Indonesia to relinquish its claim. He said that Indonesia will not lose anything if it gives up the two islands because it has thousands of other islands. However, on that occasion officials of the Department of Foreign Affairs said that it is not just a matter of an island but that it also involves national sovereignty.

* Effects of Lifting Embargo on SRV Examined

94SE0091B Jakarta BISNIS INDONESIA in Indonesian 11 Feb 94 p 6

[Text] Various circles think that lifting the American embargo on Vietnam will threaten the Indonesian ability to attract foreign investments.

"Lifting the embargo will have a serious and direct effect on Indonesia, in addition to the low labor costs there. For that reason, Indonesia must really compete with Vietnam," said Sanyoto Sastrowardojo, state minister for investment (Meninves) and chairman of the Investment Board, at the DPR [Parliament]/MPR [People's Consultative Council] building this week.

Aburizal Bakrie, general chairman of the Indonesian Chamber of Commerce and Industry; J. B. Bambang Warih Koesoema, member of the DPR's Commission VI; Djaf'ar H. Assegaff, Indonesian ambassador to Vietnam; and the economic observers Christianto Wibisono and Hartojo Wignyowijoto, made similar statements. However, Sanyoto said, lifting the embargo will also provide an opportunity to export Indonesian goods to that country.

At the same time, said Bambang, Indonesia must implement an integrated and comprehensive action plan in order to meet the increased competition.

"Planned and integrated measures must be taken in order to meet the increased competition from Vietnam."

Dja'far, the new Indonesian ambassador to Vietnam, stated that lifting the American embargo on Vietnam should spur Indonesia to increase its competitive abilities.

"However, we need to think positively, that is, how can the two countries take advantage of what each one does best for their common good."

Dja'far explained that the first step to be taken in anticipation of lifting the embargo would be to open up direct trade relations between Vietnam and Indonesia. "Indonesian trade with Vietnam has never been direct but has had to go through a third country. This is inefficient and wasteful."

At the same time, Christianto Wibisono, director of the Indonesian Business Data Center (PBDI), said that Indonesia should not be too concerned about the embargo being lifted.

"Indonesia has a 25-year lead so why should we worry? What we have to do is figure out how to maintain our position."

Vietnam, he continued, still has a lot of fixing up to do before it can increase foreign investment in the country. "Indonesia has a much better infrastructure. Right now Vietnam is like Indonesia was in the 1970s."

For Hartojo the most serious threat that we have to be concerned about is that Vietnam has copied various regulations in the field of oil and natural gas mining (Migas).

"They have plagiarized our ideas about mining contracts exactly, meaning that they are prepared to compete with Indonesia in attracting investors who are active in the field of Migas mining."

Aburizal said that Vietnam can be an extension of investments from various Indonesian companies.

Official Says 14 Student Protesters Released

BK3003154094 Hong Kong AFP in English 1220 GMT 30 Mar 94

[Excerpt] JAKARTA, March 30 (AFP)—Police here have freed 14 students who were involved in a demonstration calling for justice in a 430 million dollar scam against a state bank, a police official said Wednesday. Jakarta police spokesman Lieutenant-Colonel Latief Rabar said the students were freed late Tuesday after being questioned for several hours over their involvement in a rally in front of the Supreme Advisory Council (DPA) building earlier in the day. The students were among some 40 others involved in a rally against the banking scam, which allegedly involved collusion between high officials and businessmen.

Rabar said police confiscated 43 posters the students used during the protest to back their calls for quick government handling of the "Bapindo" case, so called because the state-owned Bank Pembanungan Indonesia (Bapindo) provided what turned out to be bad loans totalling 430 million dollars to an ethnic Chinese businessman. [passage omitted]

* Suharto Asserts Decentralization To Continue

94SE0083A Jakarta ANGKATAN BERSENJATA in Indonesian 8 Feb 94 p 10

[Text] President Suharto said that administrative deconcentration and decentralization, along with economic deregulation and debureaucratization, would continue, in line with progressive stages of social autonomy.

Opening the National Discussions on State Administration yesterday at the Presidential Palace, the president said that society, both urban and rural, is very receptive to almost every policy, strategy, and program initiated by the government. The head of state said that various new forces autonomously dedicated to increasing and expanding development had begun to grow and move in an active way.

"The government itself is adjusting to these progressive stages of social autonomy. The way to do it is to continue to implement government deconcentration and decentralization, along with economic deregulation and debureaucratization," he said.

At the discussions, which were attended by Minister of Reform for State Apparatus T.B. Silalahi, Minister of Defense and Security Edi Sudradjat, and Minister/State Secretary Murdiono, the president mentioned that the government's mission is basically to foster and create the widest possible conditions and opportunities for the growth and formation of social initiatives and creativity for development.

The various groups within society are expected to forge, generate, develop, and cultivate human initiatives and creativity in order to autonomously increase the standard and quality of life, both physical and spiritual.

"Given such cooperation, we hope that we can progress rapidly in the years to come," said the president.

The president said that institutionally the government is made up of two basic tiers—the governing political tier, which consists of the president, the vice-president, and the ministers, and the state administrative tier, which consists of officials and agencies under the ministers, which serve from the federal level down to the village level.

The president said that it is this state administrative tier which professionally prepares and implements a set of policies, strategies and programs, which are established by the governing political tier. Part of the success of national development in the past few decades has come from the dedication and professional skills of this state administrative tier.

"We must build up this state administrative tier. The development of the state administration is an integral part of our entire national development," he asserted.

In another part of his speech, the president suggested that the development of the state administration is no less crucial to national development than the development of other areas. The development of the state administration, said the president, could only be done after the governing political tier was completely fixed up and it achieved stability in 1969.

"Since then we have really been able to build up the state administration so that it can fulfill such an important function. We have all begun to enjoy the fruits of the development of the state administration through the functioning of the entire state administrative apparatus," said the president.

However, the president continued, we should not feel satisfied yet. Economic competition between countries will be even sharper in the future. That is why society and the state administration must be able to increase the efficient and effective use of national resources.

Before the president's speech, Hendropriyono, General Chairman of the National Discussions on State Administration, reported that 200 people are taking part in the three-day program.

The speakers at the meeting will include a number of important figures in the administration, such as Awaludin Djamin, Bintoro Tjokromidjojo, Minister of Defense and Security Edi Sudradjat, and Minister of Education and Culture Wardiman Djojonegoro.

* President Hails Village Islamic Centers

94SE0075A Jakarta SUARA KARYA in Indonesian 1 Feb 94 p 1

[Excerpts] Jakarta (SUARA KARYA)—President Suharto has praised the work of village Islamic centers as ideal educational institutions. In these surroundings children not only study during the school day but also go through an educational process outside school hours. Indeed, in the village Islamic centers education inside and outside the school is really one and the same thing.

Integrating the process of instruction and education is very important for raising a generation of people who are literate and at the same time are of good moral character. The president made this statement when he was opening the Fourth National Conference of the Nahdatul Ulama (NU) League of Village Islamic Centers and the First National Working Session of the NU National Sports Institute at the Asshiddiqiyah Village Islamic Center in West Java on 31 January.

The opening portion of the program at this rather modern village Islamic center in the prosperous residential area of West Jakarta was washed out by a heavy rain. However, religious officials attending the event, who came from a number of village Islamic centers throughout Indonesia, were not discouraged. Among these officials were K.H. Zainuddin and R.H. Oma Irama, who arrived at the same time in the midst of a heavy downpour and received special applause from those attending the program.

The president said that in handling future community development it is hoped that the role of the League of Village Islamic Centers will increase in importance, so that it will be more and more mature, particularly in view of the government's intention to increase the length of required school attendance to nine years.

According to the chief of state, village Islamic centers have done a great deal to develop national life. The fact that the village Islamic centers are located throughout Indonesia and that their educational charges are low has greatly helped village children in their studies. This is especially the case since more than a few village Islamic centers have carried on formal educational programs, not only at the pre-school level 373 but have also functioned as public schools. The challenge facing them is how to increase the quality of education and instruction in these centers.

In view of the position and role of Muslim religious officials in the community all of those present at the meeting were happy to learn that a number of village Islamic centers are actively engaged in community development. This situation is really in accordance with the practice followed by village Islamic centers, that is, integrating learning and practical experience. For the village Islamic centers learning without practical experience is the equivalent of "a tree which bears no fruit." Therefore, the integration of practical experience and learning is accomplished through community development activity.

Cooperation is needed in the effort to increase the role of village Islamic centers in community development, between both the village Islamic centers themselves and government and private sector institutions. The president said that, in fact, a great deal of pioneering work can be carried on by village Islamic centers in the field of local community development, particularly by raising the standard of living of the local people. The chief of state said: "For example, what has been done by the Asshiddiqiyah Village Islamic Center to help small businessmen is a model for the direct involvement of village Islamic centers in community development. These efforts must be adapted to the respective, local situation. The League of Village Islamic Centers can and must do a great deal to develop and increase the role of village Islamic centers." [passage omitted]

At the meeting Minister of Religious Affairs Tarmizi Taher said that research on the position of village Islamic centers needs to be carried out to determine both the strengths and weakness of village Islamic centers, both as educational institutions as well as centers for carrying on community activity, in terms of missionary activity as well as in the social and economic field. Honesty in self-evaluation at present and in the past will help the leaders of the village Islamic centers to identify future opportunities and demands, particularly those of the 21st century, an era full of challenges which cannot be anticipated in detail as yet.

* Governor on ABRI's Role in East Timor

94SE0092B Jakarta SUARA PEMBARUAN in Indonesian 8 Feb 94 p 5

[Text] Foreigners do not understand ABRI's [Republic of Indonesia Armed Forces] role in East Timor. They think that it has the same function as their own military, whose only tasks are security and making war, and so they think that that is ABRI's function in East Timor.

The Governor of East Timor Abilio Jose Osorio Soares made that statement in response to questions from reporters in Dili yesterday morning after inaugurating and swearing in Drs Sudarmadi as the head of the East Timor Regional Office of the Department of Information. Sudarmadi is replacing Drs Amir Ali Nasution. The inauguration and transfer of power was at the direction of Minister of Information H. Harmoko Directive Number 202-A/SK/BK/JB/1993 dated 19 December 1993.

The new official was formerly the head of the Department of Information's Surakarta District Office (Central Java), and the former official will be transferred to Jakarta.

Governor Abilio said that ABRI's presence is still needed in East Timor because out of the approximately seven ABRI battalions serving in East Timor only one has security duties for stabilizing the region and the other six are territorial battalions whose function is to aid the villagers.

The governor also made this assertion in response to several western countries which have warned ABRI to withdraw immediately from East Timor. Governor Abilio added that East Timor needs ABRI very much. The facts show that ABRI's presence in East Timor is helping to advance the welfare of the people in the countryside because ABRI lives with the villagers.

Antonio Freitas Parada, chairman of the East Timor DPRD [Provincial Parliament] made a similar statement when he was interviewed by PEMBARUAN at Comoro Airport in Dili before he and the governor left for Denpasar, Bali, to attend the Udayana IX Military District Command transfer of power ceremony.

Parada said that foreigners might still think that East Timor is like Bosnia or Cambodia and that ABRI is just fighting here. On the contrary, ABRI is the people's workmate in the gardens, in the rice fields and in the villages.

He said that the residents of East Timor have only been Indonesian citizens for 18 years. There are still many things that the people of East Timor need to learn from ABRI in order to become good Indonesian citizens; for example, they are learning many things from ABRI's territorial activities in the villages about how the land is cultivated in other provinces, about how to speak the national language and about Indonesian culture, which the people of East Timor must still learn to understand.

"Believe it or not, the villagers speak better Indonesian than the city dwellers because they associate with ABRI every day," said Parada.

* Golkar Leadership To Evaluate Voter Mood

94SE0092A Jakarta MERDEKA in Indonesian 14 Feb 94 p 6

[Article by Dr. Saleh Al-Djufri: "Golkar-NU Relations Become More Distant"]

[Text] President Suharto, in his capacity as chairman of Golkar's [Functional Groups Organization] Development Board, recently called on the leadership of Golkar's DPP [Executive Board] to investigate the drop in Golkar votes in the 1992 general elections.

Only a few months after being elected general chairman of Golkar's DPP Harmoko took swift action to prepare for a Golkar victory in future general elections. Harmoko's acts of consolidation were only natural and due above all to the fact that Megawati stepped into the position of general chairman of the PDI's [Indonesian Democracy Party] DPP and to the conjectures that elements of the NU [Islamic Scholars Party] would step into leadership positions at the upcoming August Party Congress of the PPP [United Development Party]. It seems that Harmoko wants to prove that he cannot be taken lightly and that he is showing that a civilian can also lead the party whose symbol is the banyan tree.

The challenges faced by Harmoko in the 1997 general elections are certainly far more difficult than those of previous elections. In the past, ABRI [Republic of Indonesia Armed Forces] and the bureaucracy sided firmly with Golkar, the level of the people's political maturity was still low and the system for running the general elections favored Golkar. In future elections, on the other hand, the situation will be very different. The strong impetus towards democratization, ABRI's neutral position, the people's increased political maturity, the quality of the system running the general elections, and the consolidation of two political parties are all serious challenges which Harmoko will have to face. This list doesn't even include the increasingly distant relations between Golkar and the NU, the largest mass organization, which played a big role in jacking up Golkar's votes in the 1987 general elections, Golkar's greatest achievement and one which it would find hard to repeat.

It is not hard to notice the increasingly distant relations between Golkar and the NU. After the tug-of-war between Golkar and the NU just before the 1992 general elections, which resulted in a drop in Golkar votes, the make-up of the leadership of Golkar's DPP for the period 1993-1998, which emerged from the Fifth Party Congress and is often called the work of Habibie, was seen as the low point in Golkar-NU relations.

This time Habibie will really play an important role at the Party Congress. Habibie's troops are now putting their stamp on the Golkar leadership which emerged from the Fifth Party Congress. But it is unfortunate that he is probably incapable of understanding the political anatomy of the Islamic community and so he is not introducing NU figures into the ranks of Golkar's leaders. This is really a fatal decision because it is believed that it will influence the NU's political position in future general elections. The NU is the religious social organization with the largest membership in Indonesia.

It seems that it will be hard to improve the increasingly distant relations between Golkar and the NU in the future. Besides that, both Golkar and the NU also want to become independent organizations. The NU does not want to depend on Golkar's political positions but wants to give its members the freedom of political choice. At the same time, Golkar itself also does not want to depend on the size of the NU or of any other social organization because Golkar's political style is clearly not to be dictated to by other organizations, especially after learning the lessons of the 1987 and 1992 general elections, in which Golkar's rise and fall depended on the NU's political positions. The problem is whether Golkar is ready to face future general elections by taking those steps. In other words, how far down into this society has Golkar moved?

In my opinion, the steps taken by Golkar under Harmoko's leadership to construct its own independent political base are part of Golkar's strategy to win the general elections and to move into this society. If we look carefully at Golkar's journey since its inception three decades ago, it has gone through three stages in its effort to win the general elections. At the beginning of the New Order, Golkar, which was helped into being by the military and by groups of social organizations whose goal was to stem the activities of the PKI [Indonesian Communist Party], racked up victories in the general elections through the power of the state apparatus. The military and the bureaucracy were very effective in spearheading their influence over the masses who had experienced political trauma following the G30S/PKI bloodbath [September 30th Movement].

At the same time, the government restructured politics by narrowing the scope of political party activities and gave way to Golkar to seize victory. The masses were made politically sterile, which made it easier for the government apparatus, who are also members of Golkar, to herd them into voting for Golkar in the general elections. It makes sense to say that the Golkar government used "bulldozer politics" when the general elections were first organized.

Golkar, which from its inception was very closely linked to abangan [traditional Javanese but not orthodox Muslim] culture, did not want to see a religious group, especially one that was Islamic in nature, rise to the national political stage. That is why for the first 2 decades after its inception the government always faced off against Islam. The Islamic masses refer to the government as "them," which shows the psychological distance between them. Golkar has always been suspicious of Islamic political actions, which they say disturb sociopolitical stability.

The second stage arose when Golkar became reconciled with the Islamic community, which was mainly signaled by the rebirth of the NU into the '26 Line of Action at the Party Congress held in Situbondo and the willingness of the Islamic mass organizations to accept Pancasila [Five Principles of the Nation] as the nation's sole principle. This reconciliation clearly originated with the government (Golkar). It seems that Golkar became aware that Islam is potentially its most important political base and that it is not possible to win the general elections forever by depending on a relaxation of regulations or by force. That is why the only way for Golkar to maintain its continued existence is a rapprochement with the Islamic masses through its mass organizations, especially the NU, which is the biggest Islamic mass organization.

The outcome of this second movement-into-society stage was quite spectacular; it took the form of a conspicuous rise in Golkar votes in the 1987 general elections. It was as if Golkar had become part of the Islamic community. When it visited the Islamic religious schools, the NU base that had previously been very much against Golkar, it was greeted with enthusiasm. The relations between Islam and the powers that be, in turn, gradually thawed out.

But it is probably true that large organizations, such as the NU, which from its inception has been very close to practical politics, also hold the key to the strategy of how to relate to Golkar. This means that NU's willingness to be close to Golkar must be matched by acceptable political concessions. This is NU's hope, but Golkar is unwilling to grant those concessions. The consequence is that relations have become distant again.

Even though Golkar and the NU are far apart again, Golkar succeeded in getting close to NU religious circles and religious schools with the result that they are no longer willing to accept their political line from the NU's PB [Executive Committee] just like that. In fact, there are many potential NU figures who have always been ignored by the NU's PB; they then discovered new places of operation and they moved into the MDI [Islamic Missionizing Council], the GUPPI [Association for the Improvement of Islamic Education], and other religious organizations under Golkar's aegis. The process of Golkar's movement into society within the NU, in turn, increasingly aggravated the poor relations between NU's elite and Golkar. NU's elite probably felt disappointed with Golkar because even though they gave concessions for Golkar's size and for its rapprochement with religious scholars and religious schools, they did not receive a proper political recompense.

It is this distant relationship between Golkar and the NU that is probably at the base of Golkar's present orientation and political strategy, which is at the same time the third stage of its political movement into society. Golkar would like to be an autonomous and mature party, not dependent on the political behavior of other organizations. Since most Indonesians are Moslems, Harmoko's attempt to build an independent political base is directed towards the Islamic masses. This is, of course, a new phenomenon in Golkar's journey.

If this hypothesis is true, it means that Harmoko is taking a courageous step. Golkar has the strategic tricks down pat in that it is increasingly accepted by Islamic circles and this is very significant for the future existence of Golkar. But this obsession with building a political base is probably aimed more at the "Islamic middle."

Fewer than 50 million members of the Islamic community are members of religious social organizations, such as the NU, Muhammadiayah, Al-Irsyad or the others. The rest, about 120 million people, are members of the "Islamic middle," which is independent, especially when it comes to its politics. This group is more rational and pragmatic and is not so easily swayed by political sweet talk. In general they have enjoyed the New Order's economic development. This group is a potentially large base for Golkar, but keeping them as loyal voters and as a potentially large base is not easy.

Seen from this perspective, the steps that Golkar is taking to embrace Islamic circles, especially the ICMI [Indonesian Islamic Intellectuals Organization], is part and parcel of the political movement-into-society stage so that it will become an independent political party with grass roots. Now that it has succeeded in penetrating Islamic mass organizations, it seems that Golkar wants to strengthen and maintain its base in the "Islamic middle," which is most of the Indonesian population, especially since Golkar has proven itself to be the protector of the Islamic community, including NU's masses and the religious schools.

The acceptance of the Religious Jurisdiction Laws, the birth of the ICMI and other phenomena are examples of how much attention the government is paying to Islam. Before the ICMI was formed, many of our Muslim intellectuals were compartmentalized and there was no one association they could count on. Golkar has also carried out Islamic missionizing in an intensive way in the villages and in isolated areas and it tried to eliminate the compartmentalization which played the groups off against each other by using such terms for the Islamic community as abangan, santri [orthodox Muslim], Islam KTP [on their ID card], and so on. Under Golkar, Islam flourished.

But it is believed that Golkar's obsession with building a new base with an Islamic foundation is fraught with challenges, both internal and external. Internally, it is believed that not all organizations affiliated with Golkar (KINO-KINO [groups within the main organization]) agree with Golkar's policy of basing itself on the Islamic masses because that will narrow their political career paths and will give the Islamic group a greater opportunity to follow its career path within Golkar. It has often been said that since its inception Golkar has been closest to abangan culture.

Externally, if Golkar expects the Islamic masses to form its base, it must pay closer attention to their political aspirations. This will require Golkar to adapt and accommodate itself to Islamic aspirations. And I haven't yet mentioned the challenges from other organizations, especially the NU, which is not willing to let Golkar grab its members just like that. This, in turn, will rouse social jealousy between the NU and Golkar, which can be observed in Gus Dur's political behavior. In addition, the PDI has recently also been launching some political initiatives of rapprochement with Islamic circles. Practically speaking, the Islamic masses will be primadonnas in the next election.

Aside from the possibilities of pro and con, to what extent have such ideas become Golkar's political strategies? If such ideas have become Golkar obsessions, Harmoko will be known not only as a successful Golkar figure, but also as an Islamic figure. He will be a political figure who succeeds in eliminating the partitions between religious movements and who integrates santri and abangan cultures within Golkar. It is certain that we will not be able to see these achievements and ideas until the 1997 general elections. (The writer is director of the Sunan Ampel Islamic Laboratory and Information Institute (LPLI) in Surabaya).

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* Non-Performing Loans To Be Investigated

94SE0091A Jakarta BISNIS INDONESIA in Indonesian 9 Feb 94 p 1

[Text] The DPR [Parliament] will continue to 'go after' 49 companies which have non-performing loans at BUMN [State-Owned Enterprises] Banks; at the same time, the BKPM [Capital Investment Coordinating Board] considers that the construction of the integrated chemical industry project owned by the Golden Key Group is not yet in the non-performing category.

"At the present time, there is only one client who is known to have a non-performing loan and the other 49 don't. We will continue to pursue them at not just one bank but at all the banks involved," said Yahya Nasution, deputy chairman of the DPR's Commission VII, when he and A.A. Baramuli (a member of the DPR's Commission VII) spoke to the press yesterday.

Yahya said that the case is being pursued because it had been uncovered by Minister of Finance Mar'ie Muhammad and the governor of the Bank of Indonesia. "Considering that the non-performing loan was granted by a bank syndicate with Bapindo [Indonesian Development Bank] as the lead arranger, that is the bank that we will question first."

"From Bapindo's response to Commission VII on Wednesday we will find out whether it will be necessary to invite in other state banks," said Yahya.

At the same time, Sanyoto Sastrowardoyo, state minister for investment (Meninves) and chairman of the Investment Board, stated that the construction of the integrated chemical industry project owned by Eddy Tansil in Cilegon—which has been mentioned as a cause of non-performing loans—cannot be categorized as non-performing yet because it has not yet gone past its deadline.

"We are continuing to evaluate the three companies. If there is a good reason for the arrears, we will give them additional time," he told the press on 8 February after a working meeting with the DPR's Commission VI.

The BKPM, Sanyoto said, is still giving Graha Swakarsa Prima (GSP) Inc, Hamparan Rejeki (RP) Inc, and Pusaka Warna Polypropilen (PWP) Inc—the three subsidiaries of the Golden Key Group supporting the integrated chemical industry—the opportunity to continue constructing the plant.

The license granted to the three projects is still in the form of a Permanent Approval Certificate (SPT), but the BKPM has still not granted them a Permanent License Certificate (SIT).

"The BPKM will not grant an SIT until the three companies have had a trial run. However, it seems that the three companies have not had a trial run yet," he said in response to a question from Tadjuddin Nur Said, a member of the DPR's Commission VI, concerning the integrated petrochemical industry which is reported to have 1.3 trillion rupiahs in non-performing loans with BAPINDO.

Sanyoto said that an SPT was granted to GSP Inc on 5 June 1989 and renewed on 24 May 1991 with an investment of 228 billion rupiahs, which included the importation of engines worth $96 million. Every year this company produces 120,000 tons of styrene monomer, 50,000 tons of polystyrene, 15,000 tons of acrylonitrile butadene and 10,000 tons of styrene acrylonitrile.

Sanyoto said that GSP Inc had authorized capital of 200 billion rupiahs, subscribed capital of 60 billion rupiahs and paid-in capital of 60 billion rupiahs.

The BPKM approved the PTHR [expansion unknown] as a PMDN [Domestic Capital Investment] on 28 November 1988 to be constructed with at least 214 billion rupiahs in capital, including the importation of $96 million worth of engines. The source of funding included 60 billion rupiahs of its own capital, 154 billion rupiahs of borrowed capital, 200 billion rupiahs of authorized capital, 60 billion rupiahs of subscribed capital and 60 billion rupiahs of paid-in capital. This company plans to produce 40,000 tons of acrylic fibers per year.

PWP Inc was founded with a capital of 269 billion rupiahs consisting of 169 billion rupiahs of borrowed capital and 100 billion rupiahs of its own capital. The company will produce 140,000 tons of polypropylene.

According to Baramuli, the problem of non-performing loans, which were uncovered right from the start, was reported to the chairman of the DPR's FKP [Functional Development Faction]; the head of the FKP had never prohibited the problem from being revealed, but his faction would go along if they were forbidden to speak up.

Baramuli admitted that he had received support from the businessman Probosutedjo. In fact, he continued, Probosutedjo mentioned a figure of one trillion rupiahs in non-performing loans, beyond the 1.3 trillion rupiahs, but Baramuli did not want to reveal this to the press.

A. Sutomo, junior attorney general for special criminal matters (JAM PIDSUS), said that his agency had tried to take anticipatory steps about the 1.3 trillion rupiahs in non-performing loans from Bapindo. "But the Attorney General's Office is committed to respecting the bank secrecy mandated by law," he said at breaks in his speech to legal-affairs reporters here yesterday.

Penetrating bank secrecy, he said, cannot be done until the Attorney General's Office is sure that a criminal act has been committed and is sure who the suspected perpetrator is. This means that bank secrecy cannot be penetrated until the Attorney General's Office is already at the investigatory stage.

Sutomo said that his people are limited right now to collecting data and information from various parties about cases of non-performing loans taken out by Eddy Tansil.

According to banking-law expert Rasjim Wiraatmadja, based on the provisions of banking law Number 7 of 1992, collateral for loans does not have to be in material form; it can be based on the banker's convictions about the debtor. If a banker is convinced that the credit granted can be paid back and if he knows the debtor very well, according to the provisions of the law the credit is justified.

"Under Law Number 14 of 1967, in fact, there always had to be some material collateral in order to grant credit. But under Law Number 7 of 1992 that provision was eliminated so that collateral can be based on the banker's convictions about the projected being funded," he told BISNIS here yesterday.

Even though bankers can grant credit on the basis of their convictions, material collateral is still required because in the February regulation package (PAKFEB) of 1991 there is a provision about obligatory reserves which was renewed in the May regulation package of 1993.

In legal terms, said Rasjim, Law Number 14 of 1967, which required material collateral, is no longer valid since it was superseded by a later law. Now one must refer to Law Number 7 of 1992.

"In the May regulation package banks are obliged to set aside a reserve of 0.5 percent for current loans and 100 percent for non-performing loans. To meet these provisions, material collateral which can easily be turned into cash is really necessary."

Subagjo Joyosumarto, head of the Bank of Indonesia's Banking Development Bureau, said that the way to solve the non-performing loan problem is to write the loans which are not non-performing off the books. "Another way is for the government to order the banks to carry out mergers, consolidations and acquisitions," he told the annual meeting of members of the Perbanas [Private National Banks] Auditors Club (ACP) here yesterday.

* Seriousness of Non-Performing Loan Stressed

94SE0093A Jakarta MERDEKA in Indonesian 11 Feb 94 p 6

[Editorial: "The Case of the 1.3-Trillion-Rupiah Loan Becomes Even More Murkier"]

[Text] The crisis which has hit the world of banking, primarily in the aftermath of the 1.3-trillion-rupiah illegal loan, a case which is becoming murkier and murkier, this week seems to have turned into a national problem requiring the serious attention of the monetary authorities.

The case of the loan illegally granted by the Indonesian Development Bank (Bapindo) to Eddy Tansil, alias Tan Tju Hong, the head of the Golden Key Group, cannot be considered trivial, because it is closely tied to the credibility of national banking in the eyes of the international banking community. It is really a matter of "life or death" for national banking.

What is even more disturbing is the allegation that the illegal lending, which has been going on for the past two or three years, stems from a "magic letter" from an important figure in the bureaucracy to the monetary authorities, who are also the agents for Bapindo stockholders. That is why the 1.3-trillion-rupiah illegal loan "smells of collusion".

Meanwhile, the Bank of Indonesia (BI) itself, as the central bank which has the authority to oversee executor bank activities, was unable to do very much in this case. This is because the mechanism of checks and balances between the Bank of Indonesia and the Department of Finance was not running very well.

But now, in this era of openness which keeps on rolling along, it seems that the monetary authorities, both the governor of the Bank of Indonesia and the minister of finance, have agreed to a thorough disclosure of non-performing loans, especially those with BUMN (State-Owned Corporate Bodies) banks.

Because they are determined to carry out a thorough investigation of all non-performing loans, the monetary authorities must not fail to investigate down to its very roots the case of the loan which Bapindo illegally granted to the businessman Eddy Tansil. Whoever is behind that illegal loan must also be uncovered to public view.

As a state bank, and therefore a bank belonging to the people of this country, Bapindo is obliged to disclose the problem of the 1.3-trillion-rupiah illegal loan which has now become a national problem. The people must know what is happening in the BUMN banks because in fact the funds in those state banks belong to the people.

Therefore, the minister of finance and the governor of the Bank of Indonesia in the previous cabinet must give us a clear explanation of how so much credit could have been granted to this businessman whose bona fides are not so good, so that the case of the illegal loan can truly be opened up.

At a hearing which Commission VII of the DPR [Parliament] specifically held with Bapindo in Jakarta on Thursday (10 February), the illegal loan could not be disclosed thoroughly. The procedure for granting the loan and the process for settling it became even murkier because it was covered up by an "explanatory veil," i.e., bank secrecy.

It seems that some bankers use Banking Law Number 7 of 1992, which includes regulations about bank secrecy, as a "shield" to cover up large-scale non-performing loans.

Up to now, in fact, very few large-scale non-performing loans have been thoroughly disclosed, especially if there is even a hint that these problem loans are tied to the names of certain important figures in the bureaucracy.

Nobody can deny that the world of national banking is "sick" right now. The period of consolidation, part of the effort to repear the weak conditions resulting from the application of a tight-money policy, isn't even over yet, and now national banks are hit again by the disaster of trillions of rupiahs in illegal loans.

To heal the national banking world again and to restore the confidence of international banking the only option for the nation's economic regulators, monetary authorities and law-enforcement agencies is to carry out a thorough investigation of the 1.3-trillion-rupiah illegal loan.

Everyone thought to be involved must be scrutinized. It is important to uncover the part or the process of granting such a large-scale loan which violates the regulations or is considered illegal.

The government must take a firm stand in dealing with the 1.3-trillion-rupiah illegal loan which Bapindo granted to the businessman Eddy Tansil. If it is proved that there was an important figure in the bureaucracy involved in collusion, action must be taken against him as quickly as possible, for no other reason than to restore the image of national banking in the eyes of the people of this country and of the international banking community.

* More Credit Opportunities for Small Businesses

94SE0077A Jakarta SUARA KARYA in Indonesian 31 Jan 94 p 4

[Text] Jakarta, 31 Jan—The government needs to reactivate the Small Investment Credit Program (KIK) and the Permanent Working Capital Credit Program (KMKP) to help small and medium sized business firms to grow. Based on the experience of a few years ago, it was proved that the KIK and KMKP programs were able to help business firms become strong.

This was stated by Sukamdani Sahid Gitosardjono, president of the Sahid Group of companies, at a seminar on "Indonesian Economic and Financial Prospects During 1994," held by HIPMI Jaya [Indonesian Young Businessmen's Association of Greater Jakarta] in Jakarta on 29 January.

According to Sukamdani, one cause of success in extending KIK and KMKP loans to help small and medium size businesses in Indonesia was that the criteria and the objectives were clear. These loans were really extended to those who needed them. This situation differs greatly from loans extended under the present, Small Business Loans Program (KUK), although both programs have been aimed at small and medium size businesses.

Sukamdani said that the criteria used under the KUK program, which replaced the KIK and KMKP programs, were unclear and confused. He said: "Loans provided to small businesses under the KUK program have an upper limit of 200 million rupiahs. Small businesses do not need so much money. In the past a KIK loan for one million rupiahs was unusual."

He said that previously the government, through the KIK and KMKP programs, successfully strengthened small and medium size businesses. He asked why these programs were not continued.

Regarding the statement of the minister of finance that loans will be extended to small and medium size businesses through government owned banks, Sukamdani expressed the hope that before this statement becomes a government regulation a dialogue needs to be held. This is because in a dialogue views closer to the real situation can be obtained.

He said: "The government is 'committed' to this program. We must 373 provide our inputs through a dialogue. This can also be done through the mass media."

Later on he said that converting small- and medium-sized businesses into large companies is presently difficult because there are structural and sectoral obstacles in the way. In structural terms the development of small and medium size businesses requires the "political will" of the government on a continuing basis. In fact the government often follows a "mixed strategy."

On the one hand the government develops "capital intensive" industries, particularly downstream industry. However, at the same time small- and medium-sized industries are also encouraged to grow.

In sectoral terms agricultural products produced on the farm and mineral products do not have substantial added value and competitive strength in the market. There are still many agricultural products which are marketed in raw form. In this connection there is no other solution than establishing industries based on technological innovation. This needs to be done by a working team provided with appropriate guidance, consisting of experts and persons with practical experience who have different but mutually related skills.

Meanwhile, Dr Djisman Simandjuntak, director of the Prasetya Mulya Executive Higher Management School, said that, in fact, the difficulties facing small and medium size companies in developing their businesses have been created by the government itself.

The government is unfair in providing incentives to businessmen. Often already large companies obtain protection and incentives more extensive than those extended to small businesses. Furthermore, there are many business practices which are still common, such as the formation of cartels which only benefit big businesses. As a result, the question is not how to encourage economic growth of about six percent, rather, it is how to stimulate a higher rate of economic growth and, at the same time, achieve a balance in all business sectors.

* Labor Regulation Inconsistencies Reported

94SE0086A Jakarta BISNIS INDONESIA in Indonesian 8 Feb 94 p 8

[Text] The Labor Division of the Surabaya Legal Aid Society (LBH) has demanded that the government rescind Minister of Manpower Regulation (Permenaker) Number Per-01/MEN/1994 which regulates labor unions at the company level, making reference to various contradictions between clauses in those regulations.

Munir, head of the Labor Division of the Surabaya Legal Aid Society, said that this year the Minister of Manpower (Menaker) has issued a set of labor regulations which were set forth in Minister of Manpower Regulation Number Kep. 15A/MEN/1994 dated 4 January 1994, concerning Guidelines for Resolving Labor Relations Disputes and Lay-offs at the Company Level, followed up at a later date by Permenaker Number 01/MEN/1994, which regulates labor unions at the company level. However, said Munir, several clauses in those two regulations are mutually contradictory.

"These inconsistent regulations are very worrisome, especially when we find out that a ministerial board had made those regulations," Munir told the press here yesterday.

Munir mentioned several contradictory clauses in those regulations; for example article 3 (b) of Kep. 15A/MEN/1994 states that complaints can be resolved either via a leader of a labor union registered with the Department of Manpower or via another labor organization. And article 4 (a) states that in order to reach mutual agreement discussions will be carried out with a labor union or an association of labor unions registered with the Department of Manpower or another labor organization.

"This clause therefore guarantees the workers the right to set up a labor union other than the SPSI [All-Indonesia Labor Union], which is the organization registered with the Department of Manpower. However, Munir explained, the clause is contradicted by a regulation issued at a later date, i.e., Permenaker Number Per-01/MEN/1994. Article 1 (e) of Section I states that the Labor Union is the All-Indonesia Labor Union (SPSI).

This is where the contradiction lies; one of the labor regulations states that a minister can decide that a company can have a labor union other than the SPSI, but another regulation states that only the SPSI can exist within a company," Munir asserted.

Not to speak of a clause which, Munir said, is completely incomprehensible and has no force as a legal directive. The confusing proviso, set forth in article 22 of Permenaker Number 01/MEN/1994, reads as follows: a business may not forbid a company-level union from becoming a labor union.

That is why the Labor Division of the Surabaya Legal Aid Society, in its letter addressed to the Minister of Manpower of the Republic of Indonesia, demanded the rescission of Permenaker Number 01/MEN/1994, because it considered it inconsistent with previously issued regulations.

"We have expressed our deepest concern over this inconsistent policy, which debases the law," Munir asserted.

This is especially so in relation to Law Number 28 of 1956 concerning the right to organize and to hold joint meetings, which ratified the International Labor Organization (ILO) Convention Number 98 of 1949 and Labor Act Number 14 of 1969, which emphasized that in principle workers are free to organize themselves in any form of organization whatsoever, not just in an obligatory union such as the SPSI.

It was stated in the letter, a copy of which was sent to President Suharto, that legal developments and improvements will be hampered if there continue to be inconsistent policies dealing with labor problems.

"These contradictory regulations show that the Indonesian government is not building a healthy democratic climate which acknowledges in a fundamental way the rights of workers to organize, as ruled in the Constitution."

Laos

Assembly Chairman Receives Malaysian Counterpart

BK3003015394 Vientiane KPL in English 0917 GMT 29 Mar 94

[Text] Vientiane, March 29 (KPL)—Lao National Assembly President Saman Vi-gnaket and speaker of the Malaysian House of Representatives yesterday held talks here to further promote relationship and cooperation between Laos and Malaysia, particularly between the two legislative branches.

At the talks, the sides informed each other about developments in their respective countries, especially the national defense and development, the improvement of the people's living conditions amidst social and economic development efforts according to the actual circumstances and reality of each country.

The head of the Lao national assembly delegation, Mr. Saman Vi- gnaket told the Malaysian side about achievements made following the introduction by the Lao Government of a renovation policy of socioeconomic development in the country from the period up to the year 2000. This involved shifting the subsistence and semi-subsistence economy toward a market-oriented economy by starting with integrated forestry and agriculture development that is closely linked with the expansion of industry and services. He also pointed to the continued economic relations and cooperation with foreign countries by promoting direct foreign investment in various forms. The relations and cooperation with international organisations and international financial institutions would also be expanded, he said.

The Lao National Assembly president told the Malaysian National Assembly delegation about the success of the Third National Assembly of Laos in considering, endorsing and monitoring he implementation of several important laws that guarantee the mastery and democratic rights for the Lao people of all ethnic groups. He spoke of the international activity of the National Assembly as specified in the guidelines of the Interparliamentarians' Union, the Asia-Pacific Interparliamentarians' Union and the ASEAN Interparliamentarians' Union. He also underlined the Lao National Assembly's cooperation with parliaments of other countries, the exchange of visits at various levels that has contributed to boosting its role at the international scene.

Concerning Lao-Malaysian relations and cooperation, including those between the two legislative bodies, the two countries have a good friendly and neighborly relations. The peoples of Laos and Malaysia love peace and cherish the spirit of self-reliance, and love progress and social justice. They have no wish of interfering in other countries' affairs, and enjoy mutual affection, understanding and confidence.

Banquet Held for Malaysian House Speaker

BK3003124194 Vientiane KPL in English 0902 GMT 30 Mar 94

[Text] Vientiane, March 30 (KPL)—Lao PDR [People's Democratic Republic] National Assembly President Saman Vi-gnaket, on March 28 evening, hosted a banquet in honour of his Malaysian counterpart Tan Sri Datuk Mohamed Zahir bin Haji Ismail and his party.

At the banquet, the Lao National Assembly president and the speaker of the Malaysian House of Representatives exchanged speeches describing the growing Lao-Malaysian relations. Other Lao National Assembly members and senior government officials attended the function.

In his speech, Saman Vi-gnaket expressed his belief that the successful visit to Laos by the high-level delegation of the Malaysian House of Representatives would further strengthen the friendly traditional relations between Laos and Malaysia as well as between the two legislative bodies. He said the result of the visit is a gain of the common effort by the people of the two countries, and the personal effort of the Malaysian speaker of the house

He also said: Laos and Malaysia are in the same region, and have always mutually supported and enjoyed good relations of friendship and neighbourly cooperation. The people of the two nations have shared similarities in their characters and languages. They love peace, freedom, progress and justice, have no wish to interfere in other countries' affairs. Malaysia is a country within the Nonaligned Movement that observes the principles and goals of the movement. This has made the people of the two countries understand and trust one another.

Saman Vi-gnaket was pleased with the achievements the Malaysian Government and people have scored in their national development, and thanked them for their support, assistance to Laos in the task of national salvation in the past as well as that of national development at present.

The speaker of the Malaysian House on Representatives reciprocated by saying in his speech that he was impressed by the Buddha images, especially the earthen one of the sixth century, he saw while visiting the Emerald Buddha Shine. They served as an evidence of Laos' capability in art works, as well as its long history and civilization.

He said that they were pleased at seeing that the two countries had enjoyed a close relationship and we had tried to help one another. He added that Malaysia was ready to provide education and training opportunities in Malaysia for Lao students.

He also said that Laos was implementing its five-year development plan for 1991-95 and that the Constitution endorsed in 1991 guaranteed commercial production, private properties and private investment by both locals and foreigners. Besides hydro-power and mineral resources, he said, Laos was abundant with other natural resources. All the potentials will lead the country to a bright future, he added.

The head of the Malaysian delegation also said that in the next few weeks, the prime minister of Malaysia will make his first visit to Laos to further strengthen relationship and friendship between the two countries. The prime minister's delegation will include many Malaysian businessmen, who will identify economic investment in Laos. He hoped this visit would help bring the two people closer to each other. He also invited the Lao National Assembly president and its members to visit Malaysia soon.

President Receives Malaysian House Group

BK3103065094 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 31 Mar 94

[Text] Yesterday, His Excellency [H.E.] Tan Sri Datuk Mohamed Zahir bin Haji Ismail, speaker of the House of Representatives of Malaysia [HRM], and the high-level HRM delegation paid a courtesy call on H.E. Nouhak Phoumsavan, president of the Lao People's Democratic Republic [LPDR], at the Hokham presidential palace. The high-level HRM delegation is currently paying a friendship visit to the LPDR at the invitation of H.E. Saman Vi-gnaket, chairman of the National Assembly.

H.E. the HRM speaker expressed pleasure and profound thanks to H.E. Nouhak Phoumsavan for according him and his delegation a warm and honorable welcome. He also informed the LPDR president of the outcome of the talks between the high-level delegations of the HRM and the LPDR National Assembly. He said the two legislative organizations unanimously agreed on all issues raised by the two sides for consultation at the talks, thereby further strengthening the relations of friendship and good neighborliness. The Lao and Malaysian peoples always maintain a feeling of affection, normal relations, and good cooperation with one another. The two countries frequently exchange visits by delegations at various levels [words indistinct]. The relations between the legislative organizations of Malaysia and Laos have also been developed with improved quality.

LPDR President H.E. Nouhak Phoumsavan hailed the friendship visit to the LPDR by the high-level HRM delegation, noting that the visit will contribute to strengthening relations of friendship and good cooperation between the peoples and legislative organizations of Laos and Malaysia. He pointed out that the visit constituted a good omen for the relations of friendship and served to further strengthen the existing mutual cooperation and assistance.

Present with H.E. Nouhak Phoumsavan in welcoming the HRM delegation was H.E. Saman Vi-gnaket, chairman of the National Assembly. H.E. Abdul Wahab B. Harun, ambassador of Malaysia to Laos, was also present at the meeting.

Malaysian Group Visits Xieng Khouang Province

BK3103041294 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 30 Mar 94

[Text] On the morning of 29 March, the high-level delegation of the House of Representatives of Malaysia [HRM] headed by His Excellency Tan Sri Datuk Mohamed Zahir bin Haji Ismail, speaker of the HRM, visited Xieng Khouang Province by a special plane. On hand at the Xieng Khouang airfield to warmly welcome the delegation was Phoumi Thipphavon, governor of Xieng Khouang Province; members of the provincial administrative committee; and a large number of cadres and Xieng Khouang residents.

During its one-day tour of the proviunce, the high-level HRM delegation visited the Plain of Jars, Phonsavan town, and [words indistinct].

On the morning of 30 March, the high-level HRM delegation led by its speaker and accompanied by

Chaleun Yiapaoheu, member of the Standing Committee of the National Assembly, visited the Lao-Thai bridge construction site. The bridge is a gift from the Australian Government to the governments and peoples of Laos and Thailand. Its construction has been smooth and will be completed on schedule. The official opening of the bridge will be held in the near future. Later, the delegation visited a (?handicraft center) and a textile factory operated by the Federation of Lao Women's Unions.

Philippines

President Comments on Results of SRV Visit

BK3003130194 Quezon City PTV-4 Television Network in English 0749 GMT 30 Mar 94

[Speech by President Fidel V. Ramos on his arrival from a three-day official visit to the SRV at Ninoy Aquino International Airport—live; passages in italics in Tagalog]

[Text] Mr. Vice President; former president and Mrs. Diosdado Macapagal; Speaker Protempore of the House of Representatives Raul Daza; and the distinguished members of the Senate and of the House of Representatives; your Excellency, Archbishop Morene; the dean of the diplomatic corp.; your excellencies of the diplomatic corp.; particularly the charge of the Socialist Republic of Vietnam, Mr. (Hoa Phuc Chinh); co-workers in government, *beloved countrymen*: It's good to be back home. At the close of our three-day journey across the South China Sea to the Socialist Republic of Vietnam, it is gratifying to come home with our report of mission accomplished. And I thank you for your good wishes for a successful visit, and your prayers for our safe journey home.

When this administration came to office in June 1992, I set as one of our key priorities the restructuring and reorientation of our foreign relations in keeping with the changes that have taken place in our country and in the world. And central to this new thrust was the emphasis on our relations with our neighbors in Southeast Asia—both the members and the non-members of the Association of Southeast Nations or ASEAN. My journey to Vietnam continues this effort in a new way, since this is my first visit to a Southeast Asian state that is not a member of ASEAN. For reasons of geography, history, and shared interest and concerns, Vietnam today is particularly crucial to the building of a viable structure for regional security, stability, and peace in our part of the world, a goal which intimately involves the progress and prosperity of all of the 10 nations of Southeast Asia.

In the discussions and exchanges that took place during our visit, Vietnam's leaders and the Philippine delegation addressed bilateral, regional, and global issues and concerns, and these have resulted in significant agreements, new initiatives, and fresh understanding between our governments. Like our own leadership, Vietnam's top leaders—President Le Duc Anh, Prime Minister Vo Van Kiet, and Party General Secretary Do Muoi—attached great importance to regional stability.

They seen it the breathing spell after two generations of bloody conflict with which to set their own economy on the road to self-sustaining growth. [sentence as heard] In this regard, the Vietnamese leaders expressed their government's readiness and intent to participate fully in the meeting of the forthcoming ASEAN Regional Forum in Bangkok—a unique regional mechanism for dealing with security issues.

We discussed ways to reduce tensions in East Asia, including the need to rid the entire region of nuclear arms and the threat of nuclear warfare. The conflicting claims to areas of the South China Sea are of acute concern to both our countries. We explored and exchanged ideas about new avenues for cooperation among the claimant states and the other countries of Southeast Asia, cooperative endeavors that can help to reduce tensions and build confidence in the area.

On our part, I proposed that the countries involved jointly undertake a study of the possible demilitarization of the area, and of freezing all destabilizing activities in that area. I also proposed that the resources in the South China Sea Islands be considered as the common heritage of all the nations and people on its periphery. At the very least, the Vietnamese leaders and I agreed that the status quo with respect to the question of sovereignty and the status quo in regard to the strength of the military garrisons be frozen for the moment.

We also agreed on the desirability of cooperative ventures in such matters as marine scientific research; air and sea borne rescue; environmental protection; and, the installation of navigational aids. These ventures would not only be beneficial in themselves, but also would help to build confidence and trust among the countries of the region. As another confidence-building measure, both sides saw merit in an exchange of visits among commanders and units stationed in the islands and atolls of the South China Sea.

We shared the conviction that if the countries concerned fully explore these, as well as other friendly approaches, we can transform the South China Sea from waters of contention to an area of cooperation.

I reaffirmed the Philippines' support for Vietnam's early entry into ASEAN as a full member, and our readiness to help in easing the way to Vietnam's membership.

My visit illuminated the vast potential for economic cooperation between our two countries, and served as an occasion for the expansion of trade and other forms of economic interaction between us.

Vietnam and the Philippines stand at similar, though not identical, points in their quest for modernization. Both countries see their development as anchored on their ties to other countries and the global economy. And both are today in the midst of restructuring and reform on a very intensive basis.

Our delegation briefed the Vietnamese leaders on our Philippines 2000 Program, which, among other things seeks to open our economy to free market forces, and improve our global competitiveness.

In turn, Vietnam's leaders explained to us the workings of Doi Moi, which is their own economic renovation and adjustment program, and which has brought Vietnam high growth rates during the past three years.

We agreed on specific measures to fulfill the great potential of our economic relationship. Our trade ministers signed a trade protocol that pinpoints the products that can be profitably traded between our two countries. For a similar purpose, we opened an office of the Philippine International Trading Company, or PITC in Ho Chi Minh City.

Several joint venture agreements were signed between several top businessmen in our delegation and Vietnamese enterprises—undertakings that will in themselves benefit both economies while opening the way to expanded economic activities with multiplied effects to us both. It is estimated that such business agreements could increase our bilateral trade by at least $150 million in the near future.

To promote the tourism industry, which both countries consider as extremely important to their development programs and people-to-people exchanges, our foreign ministers signed a tourism agreement and a cultural agreement which provide the framework for intensive cooperation in these areas.

The Vietnamese leaders expressed Vietnam's interest in receiving training from the Philippines in a wide range of disciplines—from banking and management, to economics and accounting; from aquaculture and agricultural research, to the English language. We shall explore ways in which to translate into reality our willingness to cooperate with Vietnam in this regard.

The improved economic situation in Vietnam has considerably brightened the prospects for the orderly repatriation of some 3,100 Vietnamese asylum seekers still remaining in the Philippines who have been denied resettlement in third countries.

The Vietnamese leaders assured us of their utmost cooperation in encouraging the return of their people to Vietnam and reintegrating them harmoniously into Vietnamese society.

We also agreed to strengthen the relationship between our two Armed Forces through the exchange of visits between senior defense officials and military officers; study tours by defense and military students; and, the opening of slots in the Philippine Military Academy to Vietnamese cadets.

Finally, and as bottom line, we established a joint commission to deal comprehensively with the whole range of our relationship, and to nurture its steady expansion for mutual benefit and support.

In both Hanoi and Ho Chi Minh City, we met with the Filipino expatriates working in Vietnam as professionals and technicians, and who are helping to build that country. I brought them greetings from our beloved Philippines and urged them to learn as much as they can from that great country that is their temporary home. Our country can be proud of all of them.

Ladies and gentlemen, in assessing the significance of this visit in the light of our national concerns and our national interest, we must look beyond its immediate economic benefits. Although we can confidently foresee such benefits in the near future.

We must also see this visit as the building of an enduring bridge to the Vietnamese people, thus contributing to the edifice of stability, peace, and prosperity that both our nations and our neighbors in ASEAN are helping to construct in Southeast Asia.

Both the Philippines and Vietnam have known the last of colonialism and the struggle against imperialism and foreign occupation. This fact of our national lives has strengthened our historic kinship, and makes the act of cooperation with each other a natural undertaking for both.

Moreover, as countries striving for development and modernization, we have much to learn from each other.

The exchange of knowledge and experience that we have begun with this visit and the close cooperation that we have pledged to promote between Vietnam and the Philippines promise to bring incalculable benefits to both our people and beyond our bilateral partnership.

The forging of strong bonds between us will surely enhance the stability and progress of our Asia Pacific Region. This certainly is the Philippines' intention and the perceived intention of Vietnam and her leaders.

In the final analysis, this is the lasting significance of our visit to Vietnam—the agreements that we have forged are in every way important for raising the level of our political and economic collaboration. But even more significant are the understandings that we have received as partners in making our way in the world, and in reinforcing peace and stability in our region.

We return today to our beloved Philippines confident that we have significantly advanced the interest of our nation and contributed to the welfare of our region.

We thank the good Lord for keeping the Philippines united and secure, and in the spirit of the Lenten Season, we continue to pray for our people's welfare and progress.

Thank you to all of you. Long live the Philippines.

* President Sets Five Economic Priorities

94se0051d Manila BALITA in Tagalog 4 Jan 94 pp 1, 2

[Text] In his report to the nation yesterday, President Ramos talked about five priorities which the government will focus on in order to accelerate national economic progress.

Foremost among the five priorities is the stability of free industries and the protection of Filipino workers abroad. Also included in the priorites is the implementation of strict discipline in governmental financial management through effective rules and regulations, and efficient coordination in the execution of economic programs. Likewise, the government must attend to the on-going peace talks with the rebels in order to end the armed rebellion.

The President also promises to make alterations in programs in order to administer justice, decrease criminality, and increase trust in the government, programs targeted primarily at the uniformed scalawags and anomalous government officials.

In this connection, the House of Representatives will extend all the support needed by the Ramos administration in order for it to be successful in 1994, and to proceed with national improvement plans through the year 2000.

This was the statement made by Speaker Jose de Venecia, Jr., in response to the report to the nation presented by President Ramos yesterday at Malacanang regarding the Ramos Administration's accomplishments in 1993, and its plans for this year and the years to come.

According to De Venecia, almost all of the legislative proposals and the support asked for or set forth by President Ramos have been approved by the House, such as the Foreign Bank Liberalization Act, Build, Operate and Transfer Act, and other bills relating to business progress, tax collection, and attracting foreign investors.

De Venecia also stated that it is up to the Senate to act now because the bills approved by the lower House have been pending in the upper House.

* Senate Affirms No New Taxes in 1994

94se0051C Manila BALITA in Tagalog 4 Jan 94 p 5

[Text] The Senate strongly affirmed that there will be no new taxes this year, 1994, except that it hopes to widen the scope of the value added tax (VAT).

Senator Ernesto Herrera, chairman of the Senate Ways and Means Committee, said that this year, the committee will not discuss the five tax measures endorsed by Malacanang and the 20 percent excise tax on nonessential commodities, the stocks transaction tax, the re-imposition of dividends tax, and the tax increase on beer and soft drinks. The five bills are expected to yield an annual net increase of 4.4 billion pesos in tax revenues to the government.

Herrera stated that many senators disagree with the idea of creating new taxes because they believe that what must be done is for the government to revamp its system of collecting taxes, and change them so as to improve tax collection methods.

Herrera pointed to the inefficient performance of the Bureau of Internal Revenue, and of the Bureau of Customs, in 1993, despite the passage of legislation designed to improve tax collection efficiency. In the study of the work done by the Philippine Institute For Development Studies, it was revealed that the government had failed to bring in 29.1 million pesos, or 14 per cent of the national tax revenues due in 1992. At present, the Senate is still studying the bill designed to widen the scope of the VAT.

In the bill are recommendations relating to the additional collection of 2 billion pesos in government revenues annually, by means of the passage of the VAT bill, including taxes on hotels, restaurants, and highly paid professionals, like athletes and movie stars.

* 1994 Budget Includes Cut in Debt Servicing

94SE0051A Manila BALITA in Tagalog 31 Dec 93 pp 1, 2

[Text] Malacanang announced the signing by President Ramos of the 330.2 billion peso 1994 National Government Budget, which is 31.8 billion less than the 362 billion peso allocation bill submitted by Malacanang. However, the Chief Executive pointed out that itme number seven in the Republic Act No. 4663, more popularly known as the 1994 General Appropriations Acts, includes the 31.5 billion peso cut in debt servicing on national debt payments.

Yesterday, the President also rejected:

—provisions designating departmental savings as the new funding source for the payment of fringe benefits or pensions;
—the outlay or disbursement of budget increases in some government offices as a result of the budgetary realignments of Congress;
—budgetary augmentation through using income, and the creation, operation, and maintenance of revolving funds; and
—tightening in the outlay or expenditure of some appropriations.

In a single ceremony at Malacanang, the President stated that "The speedy consolidation and passing of the 1994 GAA shows the common wish of the executive and legistative branches to create a national fund that will help in the development goals of the nation."

* World Bank Announces Release of Loan Remainder

94SE0051B Manila BALITA in Tagalog 4 Jan 94 p 4

[Text] The announcement a few days ago by a World Bank representative to the Philippines that "the Philippine Government has progressed tremendously in its reforms of the financial system" is good for the financial stability of the government this year.

The second and last portion of the Financial Sector Adjustment Loan of $520 million, as managed by the World Bank, can help in the cash operations of the Philippine Government. It is also beautiful proof of frugal financial management by the Philippine Government. In addition, it paves the way for the restructuring of the Philippine debt of more than $3 billion.

One of the conditions set forth by the World Bank is the reorganization of the old Central Bank. Various financial means of freeing the new Central Bank of the Philippines from the problems of the past have been realized. Now it can begin its operations, which will have positive net worth or equity. This has resulted in the release of the remainder of the loan.

The added cash will no doubt facilitate the daily operations of the government. More importantly, it is a testimony to the belief in reforming the system and to the credibility of the Philippine government. It also strengthens the stability of the security notes issued by financial institutions in the Philippines, and furthermore, it attests to lighter foreign debts, and to the procurement and securing of capital.

We should be happy about these new indicators of recovery, and the anticipation of the positive effects of the additional funds on possible job creation this year.

Thailand

Suphachai on Australia, New Zealand in AFTA

BK3103032194 Bangkok BANGKOK POST in English 31 Mar 94 p 26

[Text] Deputy Prime Minister Suphachai Phanitchaphak wants the Association of Southeast Asian Nations (ASEAN) to include Australia and New Zealand in the ASEAN Free Trade Area (AFTA), without giving them membership of the association.

Dr Suphachai revealed yesterday it was possible Australia and New Zealand would be asked to join AFTA, despite not being members of ASEAN.

Thailand will chair the ASEAN Economic Ministers' meeting this year and one of the issues to be discussed may be inviting new countries to join AFTA, he said.

Dr Suphachai said he personally believed the AFTA should include more countries, particularly Australia and New Zealand, to expand its multilateral trading opportunities.

If Thailand could compete effectively in terms of trade with Singapore, it was not out of the question that it could compete equally well with the developed Australia and New Zealand.

Both countries are potentially large markets for Thai exports which are produced at low cost such as chicken and textiles.

The issue may meet with resistance at the meeting as Malaysia and Indonesia had made it clear long ago that they did not want non-Asian countries to join the group.

Speeding up the implementation of AFTA, very likely from 15 years to 10 years, ought to be approved in principle by all members. The terms and conditions, such as those involving exclusion lists and local content, may call for further discussion, he said.

It was widely believed that China may dominate all Indochinese and ASEAN countries in the future because of its strong potential and relationships with the people of these countries. Market expansion as a result of this may prove beneficial for Thailand since China is one of the largest markets in the world.

Prime Minister Endorses Nuclear Power Option

BK3103034394 Bangkok THE NATION in English 31 Mar 94 p A7

[Text] Prime Minister Chuan Likphai is in favour of setting up nuclear power plants, saying the growing demand for electricity will inevitably force Thailand to adopt the nuclear option.

"Nuclear power is a sensitive issue and something very new for our country. People may not understand and accept it but we should not overlook it," he said.

Chuan presided over a seminar entitled "Nuclear Power Plants," held at Parliament yesterday. He said nuclear power could not be rejected since it is a vital new resource for generating electricity.

He said nuclear power had been used elsewhere for more than 20 years due to increasing demand for power worldwide.

Chuan said that 20 years ago, Thailand consumed only 1,000 megawatts of electricity. This year, demand has risen to 9,800 megawatts.

"And in 15-20 years, demand will be 30,000 megawatts," he said.

At present, Thailand has to import electricity from Laos and natural gas from Malaysia, Vietnam and Burma.

Although there were many other fossil fuels for electricity generation, the world was concerned about their environmental impact. He quoted the greenhouse effect, and acid rain as examples of problems caused by the burning of fossil fuels.

"The government is interested in nuclear power as one of a number of options for the future," he said.

He said he had instructed the Sciences Technology and Environment Ministry to amend the laws concerning nuclear power plants and to formulate an organizational structure to supervise the new industry.

"Everything must comply with international standards. We want to be sure people will be safe and that it will not affect the environment," he said.

He stressed that public sentiment over the issue was the most important factor.

"The government will study the positive and negative aspects of nuclear power plants. And we will pay prime attention to the public's feelings," he said.

The chairman of the House committee on energy, At-ong Chumsai na Ayutthaya, recently insisted on the need to build nuclear power plants and criticized an opposing conclusion reached by the House environment committee.

"We have to select the best and safest system. Don't take bad examples which rely on one-sided information," he said.

A Phalang Tham Bangkok MP, At-ong said before deciding whether or not to build nuclear power plants, it is necessary to study the size of the country's remaining energy reserves.

"We have to accept that the energy demand is rising. The consumption of electricity increases by 1,000 megawatts yearly."

"We are not talking about a change which will happen today or tomorrow but we are focusing on the situation in 50 years, when other energy sources have already gone," he said.

Army Spokesman Denies Supporting Khmer Rouge

BK3103021794 Bangkok Radio Thailand Network in English 0000 GMT 31 Mar 94

[Text] The Royal Thai Army has firmly denied the accusation that it has supported the Khmer Rouge guerrillas in their fight against Cambodian forces along the Thai-Cambodian border.

The Spokesman of the Royal Thai Army Colonel Phalangkun Klahan has made it clear that the Thai Government and the Royal Thai Army have always respected the UN resolution on the political solution to the war in Cambodia. The spokesman said the Royal Thai Army has not banned site inspections by foreign diplomats at any time. He added the Royal Thai Army has provided humanitarian aid to displaced Cambodians who fled from the fighting into Thailand and that the army did not forcibly repatriate those Cambodians. It is the Cambodian Government's responsibility to take care of its people affected by civil war or those who are displaced in their own country.

Army Commander Views Bombing of Train in South

BK3003143194 Bangkok Radio Thailand Network in Thai 1200 GMT 30 Mar 94

[Text] Commenting on the sabotage of a train in the south, Army Commander in Chief General Wimon Wongwanit said that rifts among the ethnic people in the south are being exploited as a pretext to stage acts of terrorism. He said officials are doing their best in terms of suppression:

[Begin recording] [Wimon] I would like to say this—suppression alone cannot solve the problem of terrorism, regardless of the country. We must try to cut their external support, and we will only be able to cut external support by negotiating with those countries on a government-to-government basis. Meanwhile, local people and soldiers must cooperate in safeguarding public security and protecting natural resources along the border.

[Unidentified correspondent] Was it an attempt to create confusion?

[Wimon] There is no confirmation of that. I have only received a report on the incident. It is still too early to determine what group was responsible for this attempt. We have to wait for more information and more evidence. [end recording]

Bombings Designed To Topple Government

BK3003144494 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 30 Mar 94

[Text] Interior Minister General Chawalit Yongchaiyut has said that several bombing incidents as well as the sabotage of a train in Songkhla Province today are aimed at toppling the government.

This afternoon Gen. Chawalit called an urgent meeting of officials concerned with security issues. Afterward, he said the meeting agreed that more measures are needed to strengthen security in areas that could be targets of sabotage, particularly the four southern border provinces and Bangkok. The meeting also held that the motive behind the bombings is to destabilize the government. It did not discard the possibility, however, that these events are the work of separatists.

[Begin Chawalit recording, in progress] ...the situation occurred in areas that are probably target areas for harassment by the opposition. These target areas are Bangkok and the four southern provinces. Before setting clear measures to prevent a reoccurrence of these incidents, everyone at the meeting agreed that the main objective of the movement behind these events is to create confusion and worry and damage the government. [end recording]

Vietnam

Cambodian Co-Defense Ministers on Official Visit

Meet With Defense Minister

BK3003162394 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 29 Mar 94

[Text] A high-level military delegation of the Kingdom of Cambodia led by Senior Generals Tie Banh and Tea Chamrat, co-ministers of defense, arrived in Hanoi yesterday on an official visit to our country at the invitation of Senior General Doan Khue, minister of national defense.

A solemn reception was held at the Ministry of National Defense guesthouse. Senior General Doan Khue, Vietnam's minister of national defense, heartily welcomed the two co-ministers of defense and the high-level military delegation of the Kingdom of Cambodia. He said he believed the visit will help consolidate the friendly relations between the two countries and two armies.

Senior General Tie Banh, speaking on behalf of Senior General Tea Chamrat and members of the delegation, expressed his thanks for the solemn reception by the Vietnamese National Defense Ministry. He also said he was confident the visit will have successful results.

In the afternoon, the high-level military delegation of the Kingdom of Cambodia held a meeting with a high-level Vietnamese military delegation.

Received by Vo Van Kiet

BK3103014194 Hanoi VNA in English 1544 GMT 30 Mar 94

[Text] Hanoi VNA March 30—Prime Minister Vo Van Kiet received here today a high-level military delegation of Cambodia led by General Tie Banh and General Tea Chamrat, co-minister of national defence, now on a visit to Vietnam.

During the reception, Prime Minister Vo Van Kiet highly appreciated the relations of friendship between the two countries and the two national defence ministries. He noted that the Vietnamese people are very glad at the current development in Cambodia, and expressed his deep sympathy at difficulties and trials being undergone by the Cambodian people. The Vietnamese prime minister reaffirmed that the Vietnamese people would do all they could to, together with other countries in the region, support the Cambodian people in national construction and concord. [sentence as received]

On behalf of the Cambodian military delegation, General Tea Chamrat expressed his hope that the close neighbourliness between the peoples and militaries of Vietnam and Cambodia would be further developed in conformity with the aspiration of the two peoples and for peace, stability and prosperity.

General Tie Banh informed Prime Minister Vo Van Kiet of the situation of the Cambodian military, and expressed his belief that the people and military of Cambodia will be determined to overcome the difficulties and trials to build a peaceful and prosperous life.

In the same day, the Cambodian guests paid a tribute to Ho Chi Minh's mausoleum and called on his resident. [sentence as recieved]

Request To Replenish Stockpile Rejected

BK3103023894 Bangkok BANGKOK POST in English 31 Mar 94 p 1

[Text] Vietnam has rejected Cambodia's request for weapons parts and ammunition to replace dwindling stocks used in the Cambodian government's offensive against Khmer Rouge bases at Anlong Veng and Pailin. A well-placed source said yesterday Hanoi "took note" of the request but made no commitment because it does not want to be seen as associating with any one Cambodian party. The source close to the leadership here said Vietnam also wished to avoid accusations of interfering in Cambodia's internal affairs.

The request was put forward by Cambodian co-defence ministers Tie Banh and Tea Chamrat in talks here Tuesday.

"Vietnam has to be very cautious," said the source. Hanoi has enough worries with domestic problems. He said the Cambodian defence ministers sought spare parts and ammunition for weapons ranging from machineguns to artillery pieces. The Cambodian ministers reportedly approached Laos before coming to Hanoi, but the Laotians did not oblige.

As fellow recipients of military supplies from the former Soviet Union, Laos and Vietnam are the only possible sources of resupply for the Cambodian army. But Laos and Vietnam only have what they describe as "self-sufficient" reserves.

The Cambodian defence ministers yesterday morning left Hanoi for Ho Chi Minh City where they were to meet with the commander of Army Region 7 and the region bordering Cambodia.

The disclosure coincided with Hanoi's decision for Prime Minister Vo Van Kiet to go ahead with a planned visit to Cambodia. Mr Kiet is to arrive in Phnom Penh on Saturday and return to Ho Chi Minh City the next day. Mr Kiet will be returning a visit to Hanoi in August last year by Cambodia's co-premiers Norodom Ranariddh and Hun Sen. Mr Kiet will be accompanied to Cambodia by Vietnamese Foreign Minister Nguyen

Manh Cam, who went to Phnom Penh last month to lay the groundwork for the visit.

Philippine President Concludes Visit, Departs

BK3003162094 Hanoi VNA in English 1535 GMT 30 Mar 94

[Text] Hanoi VNA March 30—Philippine President Fidel Ramos today left Ho Chi Minh City, concluding a 3-day official visit to Vietnam from March 28-30.

On the afternoon of March 29, President Fidel Ramos left Hanoi for Ho Chi Minh City.

In Ho Chi Minh City, the Philippine president and his party were received and given a banquet by the Mayor of Ho Chi Minh City Truong Tan Sang. During the meeting, Mayor Truong Tan Sang welcomed the Philippine president's visit to Vietnam which, he said, brought the neibhouring friendship of the Philippine people to the Vietnamese people including the Ho Chi Minh City people.

President Fidel Ramos, for his part, expressed his honour to visit Vietnam and Ho Chi Minh City and highly appreciated the achievements recorded by the people of the city in the national renovation construction which he considered them favourable conditions for the mutual cooperation between the two countries. President Fidel Ramos hoped that the friendship and cooperation between the Vietnamese and Philippine peoples will be further developed.

While staying in Ho Chi Minh City, the Philippine president attended the opening ceremony of the Philippine International Commerce Office and called on some historical relics in Ho Chi Minh City .

Czech House Speaker, Delegation Arrive 30 Mar

BK3003155794 Hanoi VNA in English 1530 GMT 30 Mar 94

[Text] Hanoi VNA March 30—A delegation of the Czech Parliament led by Mr. Milan Uhde, the speaker of the lower house of the Czech Republic, arrived here this afternoon, beginning an official friendship visit to Vietnam as guest of chairman of the National Assembly [NA] Nong Duc Manh.

House Speaker Milan Uhde and his party were welcomed by Chairman Nong Duc Manh, deputy chairman of the National Assembly Dang Quan Thuy, Vice Foreign Minister Nguyen Dy Nien, Deputy Head of the N.A. External Relations Commission Tran Van Phac and other high-ranking officials.

Right after the welcome ceremony, Chairman Nong Duc Manh received Mr. Milan Uhde and his party. He hailed Mr. Milan Uhde's visit as an important event, marking a new step of development in the friendship and cooperation between the two countries in general and the two legislatures in particular.

For his part, the Czech leader thanked the Vietnamese National Assembly and people for their hospitality. He noted that the Czech Republic and Vietnam have had the long-standing friendship and cooperation, and with favourable conditions at present the relationship will be further strengthened. Mr Milan Uhde expressed his hope that his working visit would contribute to find out new possibilities of strengthening the friendship and cooperation beween the two legislatures in particular and two countries in general.

This evening Chairman Nong Duc Manh gave a banquet in honour of the Czech house speaker. The Czech house speaker and his party enjoyed an art performance by Vietnamese artists.

Embassy in Germany Denies Aiding Asylum Seekers

BK3003133294 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 30 Mar 94

[Text] In recent days, some mass media in the FRG have reported that the Vietnamese Government has supported certain organizations in bringing people from Vietnam to apply illegally for asylum in the FRG, and that the Vietnamese Embassy in the FRG legalized documents for these asylum seekers. The Vietnamese Embassy in the FRG totally denies all of this incorrect information. It confirms that the Vietnamese Government never tolerates such illegal actions. The Vietnamese Embassy in the FRG has resolutely refused to issue any documents to asylum seekers living illegally in the FRG.

* Prime Minister Interviewed on Foreign Policy

942E0033A Hanoi TUAN BAO QUOC TE in Vietnamese 6-12 Jan 94 p 4

[Interview with Prime Minister Vo Van Kiet by Nguyen Ngoc Truong, TUAN BAO QUOC TE editor in chief; place and date not given: "Foreign Policy in the Period of Renovation"]

[Text] *In 1993, our country's international activities yielded important results. In 1994, Vietnam enters a crucial year of renovation and development. Following is an interview by TUAN BAO QUOC TE with Prime Minister Vo Van Kiet on a series of issues, namely, the outstanding features of the new diplomacy, the key aspects of foreign policy in 1994, and what is new in the investment policy.*

[Nguyen Ngoc Truong] May we ask you to evaluate our country's international activities in the past year?

[Vo Van Kiet] Our country's international activities in 1993 took place in a very rich manner and in many fields—political, economic, cultural, and physical education and sports—and realistically served our goals of peace, independence, and development for the sake of prosperous people, strong country, and civilized society.

The results of these activities have contributed to enhancing Vietnam's international posture and have favorably allowed us to pursue the economic and political goals of our foreign policy in the coming years.

The leaders of other countries and international friends whom I had a chance to meet all advocated Vietnam's foreign policy and highly evaluated our renovation. The fact that the country was being developed in a stable manner and important socioeconomic achievements were being made in the renovation effort in recent years served as a basis for our country's big advantage in its international activities. Reality has affirmed that the domestic and foreign line and policies we are developing are correct and suitable for the present trend and allow our country to move forward along with other nations in the region and in the modern world.

[Nguyen Ngoc Truong] What are the outstanding facts in these activities?

[Vo Van Kiet] We were walking steadily with both feet: building the multifaceted cooperation relations with our neighboring countries and countries in the region, and diversifying the international relations, including relations with the big countries and political and economic centers in the world. The good relations we had with the region created favorable conditions for us when our country extended relations to other parts of the world. At the same time, the fact that we had diversified and multilateral relations and had retained the traditional relations with the countries that had been cooperating with and supporting us created even more favorable conditions for us within the region. The efforts to consolidate our relations with neighbors and countries in the region were linked with the policy of diversifying international relations. An important aspect of our diplomatic activities was economic. Thus our international activities were both profound and broad, were aimed at central and important points, and best served our national construction and defense. These could be considered the peculiar and new aspects of Vietnamese diplomacy.

I would like to add that while we were developing the above-mentioned moves, we also did our very best to strengthen the friendship and cooperation relations with our traditional friends and wholeheartedly supported the struggles of the people of other countries for national independence and social progress. This fact reflected the principled character of Vietnam's indivisible foreign policy and also conformed to the Vietnamese people's profound international sentiment.

[Nguyen Ngoc Truong] Can we call what you have just mentioned the foreign policy of the period of renovation?

[Vo Van Kiet] The years and months of the struggle for national liberation had given birth to the revolutionary diplomacy combining national strength with the strength of the era and making great contributions to glorious feats of arms, such as the liberation of the South and the reunification of the fatherland. The diplomacy of the revolutionary period of national liberation had inherited and absorbed the quintessence of the millennial diplomacy of national defense and construction, and at the same time had been raised by the brilliant diplomat, Ho Chi Minh, to the height of the diplomacy of the era. This inheritance and development was the law of social movement.

On the other hand, any foreign policy is determined by an actual historical ciscumstance. The world diplomacy is moving from one stage to another. The international situation is undergoing quick changes, with the grouping of new political and economic forces. Vietnam is an underdeveloped country having not so vast a land area and average economic potential but it is situated in a region that enjoys the most dynamic economic development in the world and includes many countries with strong economies and important political positions. From now until 1995 the economies of Asia may reach an average growth of 7 percent while the world as a whole cannot surpass the rate of growth of 2 percent. In and outside of the region, both politicians and businessmen are urgently making adjustments to accommodate the Pacific Era in the 21st century.

The foreign policy of our country is entering a new stage switching from serving the national liberation struggle to serving the renovation, and, in facing the task of contributing to the renovation of the country, setting foreign policy guidelines and goals for the immediate and long terms by winning more friends and having fewer foes, in accordance with Ho Chi Minh thought, and by adopting lively and flexible conduct and counteracting formulas. Even in this process, the party and state everyday must handle many complex international issues, which require that we apply principles and tactics in a correct and timely manner in order to gain advantages for the country and people and to conform to the common trend. I would need more time to review the rich reality, but I think that the new foreign policy is capable of combining the national character, the traditional diplomacy, and the characteristics of the era.

[Nguyen Ngoc Truong] What is the focus of foreign policy activities in 1994?

[Vo Van Kiet] In 1993, the process of our country normalizing and expanding its international relations was basically completed. In the years to follow, we need to consolidate and raise the quality of these relations and pay attention to the key locations. Our political and diplomatic activities must be strongly aimed at economic aspects and serve the economic goals that have been set. This is not only the work of the foreign-affairs organs of the party and state but also the responsibility of all sectors and echelons, and has to do with the development of cooperation programs in many fields in our country.

[Nguyen Ngoc Truong] What about the economic focus of foreign policy?

[Vo Van Kiet] In the last few years, thanks to our policy of openness, we were able to attract a large volume of foreign investment, to step up exporting, and to some extent to resolve the budgetary difficulties regarding sources of revenue and mobilizing capital investment for the national economy. In 1994, we need to continue to increase export by 20 percent, by 25 percent in 1995, along with gradually improving the allocation of export goods, to return to the traditional markets in Russia and Eastern Europe, and to have access to new markets.

[Nguyen Ngoc Truong] Please let us know the new aspects of the 1994 investment policy.

[Vo Van Kiet] The country is entering a new period of development. We must attain a rate of growth no less than 8 percent per year and work hard to double the 1990 GDP level by the year 2000. To do so we must have a lot of capital. We have been paying attention to mobilizing the sources of domestic capital. In the last 3 years, the total investment in development came close to 70,000 billion dong; the projected total in the next two years will amount to 90,000 billion dong. This way we will be able to achieve the goal set for domestic capital investment for the years of 1991-1995. However, a lot of idle capital exists in the population. In 1993, we were able to mobilize only less than one-half of the people's capital-contributing capacity. The government is urgently drafting a law on domestic investment.

About foreign capital, there has been a major gain due to a breakthrough in the establishment of our relations with international financial and monetary organizations, with the ability to acquire capital and then expand new industries. The countries and international organizations that participated in the International Financial Assistance Conference held in Paris have agreed to grant us loans under favored conditions totaling 1.86 billion dollars in the 1993-1994 fiscal year. The official aid for development from a number of industrialized countries also has greatly increased. Direct private foreign investment continues to increase quickly. The total of such capital being put to actual use in 1993 amounted to $800 million, nearly twice the total in 1992. However, in the present stage, the ability to get foreign capital greatly depends on our ability to accept and use it effectively in our country. Therefore, we will give priority to investment projects aimed at improving our infrastructure, processed goods for export, and manufacturing sectors, which will help to resolve the unemployment problem.

On this occasion, I congratulate TUAN BAO QUOC TE for being published for the first time. As the country is being renovated, the press needs to be renovated and modernized.

[Nguyen Ngoc Truong] Thank you, Mister Prime Minister.

Ho Chi Minh City Committee Meets With Catholics

BK3103151894 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 31 Mar 94

[Text] The Ho Chi Minh City Fatherland Front Committee held a get-together yesterday morning with Catholic fathers and clergymen and Catholic representatives to brief them on some new developments in the city in connection with current religious issues. Over 100 delegates attended, including Catholic fathers; heads of various religious orders; clergymen; and representatives of the city Catholic Unity Committee, Papal Nuncio office, various seminaries, and district and precinct Catholic committees.

Mr. Nguyen Van Hanh, chairman of the city front committee, gave a briefing on the results of the midterm national party conference as well as past achievements by our party and people in the economic, political, cultural, and social domains.

On the current religious situation, Mr. Nguyen Van Hanh said: It is the policy of our party and state to respect our Catholic compatriots' freedom of religion and encourage them to lead a life useful to both the region and the people so as to help build the country. Archbishop Nguyen Van Binh is a clergyman with a high sense of nationalism. He leads an ethical life and is highly popular. He has made positive contributions for the betterment of Catholic activities in Ho Chi Minh City. Archbishop Nguyen Van Binh's ecclesiastical and nationalist lines have been followed by a large number of Catholics.

Mr. Nguyen Van Hanh also informed the audience of the positive results obtained in a meeting between the government Religious Affairs Committee and a representative of the Vatican Holy See during the Vatican delegation's recent visit to Vietnam. This is a welcome sign for the Catholic compatriots in the city to feel peace of mind so they can lead a Gospel-directed life within national bounds.

* Nong Duc Manh on National Assembly Changes

942E0033B Hanoi TUAN BAO QUOC TE in Vietnamese 6-12 Jan 94 p 4

[Statement by National Assembly Chairman Nong Duc Manh to TUAN BAO QUOC TE reporter: "National Assembly Is Directly Responsible..."]

[Text] *National Assembly Chairman Nong Duc Manh has made a statement to the TUAN BAO QUOC TE reporter on the changes in the activities of Vietnam's legislative organ.*

The National Assembly belongs to all strata of the population.

Unlike in Vietnam, other countries do not have superior monks and bishops in their national assemblies. Vietnam's National Assembly brings together representatives of all strata of the working population in society. The national assemblies of other countries assemble political forces in society, which include rightist, leftist, and communist parties. For instance, there are no representatives of Buddhists in their national assemblies.

Our National Assembly now must decide things for itself, for nobody else makes these decisions for it. Whether its decisions are right or wrong, it must be responsible for them to the people. The budget is insufficient. Whereas in other countries the national assemblies will be removed if they fail to fulfill their responsibilities to the constituents, this does not happen in our country yet. However, as it represents all strata of the masses in society, Vietnam's National Assembly has the foundation on which it can make sure that its decisions serve the interests of society as a whole.

The National Assembly contributes to foreign policy successes.

In late October 1993, a delegation of the National Assembly visited many countries in eastern and northwestern Europe. National assemblies are the organs that ratify the agreements of governments. Through contacts, legislators understand one another better and create favorable conditions for the implementation of the agreements that have been signed. The bilateral and multilateral activities that our National Assembly has taken part in would facilitate the implementation of the agreements among governments.

The timing of the delegation's tour—the end of October 1993—was also very beneficial. That was the time when the national assemblies of those countries discussed their budget and the major policies for 1994. Through exchanges of views, the national assemblies of other countries seemed to have a good understanding of Vietnam's renovation and to lend their support and encouragement to increasing investment in Vietnam.

To apply the experiences of other countries' national assemblies.

In our recent visit in a number of countries, we exchanged with their national assemblies our experience in the legislative process. We have just begun to do legislative work, which other countries have been doing for a long time. The question that was raised was how to make laws and how to organize the supporting machinery in order to allow it to work effectively. In all other countries, legislators are professional people, but they are not in Vietnam. This is why when we apply other countries' experiences, we must consider Vietnam's actual conditions.

We will step by step improve the activities of specialized committees. Right in the current session, the evaluating reports of our committees are judged as being of very good quality. Our committees will be strengthened and given more specialized work. The supporting component must be made better and stronger so as to carry on its work of assisting the National Assembly sessions and preparing documents for the deputies to read and study in advance. We will also reorganize the Office of the National Assembly; improve the ways to organize offices, committees, and scientific research libraries in regard to jurisdictional issues; and provide the Office of the National Assembly with additional modern means.

* Minister Interviewed on Administrative Reforms

942E0032A Ho Chi Minh City in Vietnamese 8 Jan 94 p 2

[Article by Huy Duc]

[Text] At his press conference on 6 January 1994, Minister Le Xuan Trinh answered a number of questions asked by reporters:

[Father Truong Ba Can, editor in chief of CONG GIAO VA DAN TOC] Many publications in the city and at the central echelon have proposed rebuilding the statute and rehabilitating the name of Alexandre de Rhodes. Why hasn't the government said anything about this?

[Trinh] The government has read those articles and is paying attention to this. But because this is an historical and scientific problem, we must study the matter and get the views of more scientists. That is why the government has not yet responded to this.

[Reporter for Vietnam TV] How will major cases of corruption be handled? We welcome the fact that the government has "allowed" Vietnam TV's leadership board to "retire." But why did it take so long to deal with the negative acts of these people?

[Trinh] Corruption has been dealt with too slowly as compared with the needs and hopes of the masses. The premier, too, is unhappy about this. But the government is not the only one involved in handling a case. This must be coordinated with the organs of control and the courts. Unfortunately, this coordination has long been sluggish.

There has been corruption at Vietnam TV for a long time. Actually, it would have been better if we had dealt with those things sooner. But in dealing with cadres at that level and with such an important sector, we have to get the ideas of the Politburo and the Secretariat.

[Reporter for TUOI TRE] The public recognizes that the government is resolved to fight corruption and smuggling, but in order to do this, does the government have any new measures? Recently, a number of vice ministers and chairmen of provincial people's committees acted contrary to a number of the premier's policies, including the smuggling of automobiles in Cao Bang and the smuggling of "Po-mu" timber in Nghe An. Why hasn't the premier dismissed or suspended those cadres involved in this based on the authority given him by the government organization law? Has he failed to carry out his responsibilities fully or has he been unable to carry our his responsibilities?

[Trinh] Having effective measures is something that the premier is very concerned about. First of all, the government will implement a new organizational measures: An anti-corruption committee headed by a minister will be established. Although a special state anti-corruption commission will not be established, the government and the Standing Committee of the National Assembly are united, and each month the Standing Committee of the National Assembly will hear reports on the situation in fighting corruption in order to provide guidance to the organs of control and courts. Also, the Standing Committee of the National Assembly is requiring that the committees of the National Assembly regard fighting corruption as one of their tasks in order to monitor this regularly.

The Politburo, too, agrees that if a case involving a provincial chairman, minister, vice minister, or cadre subordinate to a management echelon of the Politburo arises, the anti-corruption leadership collective (the Standing Committee of the National Assembly, the Ministry of Interior, the organs of control, and the courts) have the right to take whatever steps are necessary in accord with the law and then report this to the Politburo.

Last year, a number of the cases that occurred, such as the smuggling of automobiles in Cao Bang and the smuggling of Po-mu timber in Nghe An, should have been dealt with immediately. But under the old mechanism, the views of others had to be obtained first and so things were done slowly and this affected the situation in fighting corruption. But in any event, these cases have now been dealt with.

[TUOI TRE] On what basis will the 1994 administrative reforms be made?

[Trinh] Administrative reform is an urgent task. This will be carried on based on clearly determining the responsibilities of the legislative, administrative, and judicial organizations. In our country, the responsibilities of the legislative, administrative, and judicial organizations still overlap. The responsibilities of the central and local organizations must be clearly determined, and there must be a clear distinction between the responsibilities of the state management organizations and those of the commercial production organizations. The administrative apparatus must be reorganized to make it smaller but stronger. Most countries have only 12-13 ministries, but we now have 30 ministries and equivalent-level organizations and 30 other organizations. Thus, it's as if there are 60 ministries directly subordinate to the government that have dispersed administrative powers. Along with this, we must build a standardized system of civil servants having clear rights and responsibilities. The government has guided the committee handling this work. This committee is receiving help from the United Nations.

[TUOI TRE] As you have admitted, in Vietnam there is still much confusion regarding the responsibilities of the administrative, legislative, and judicial organizations. Actually, there are also many unstable power relationships between the premier and local leaders. In view of this, does the government's reform program contain any proposals for revising a number of the articles in the constitution and government organization law?

[Trinh] In implementing things, a number of problems have arisen. For example, the government organization law stipulates that the ministry is to control the commercial units. But we now realize that agricultural management must be separated from commercial production management and that the concept of a management ministry must be abandoned. Thus, we must experiment and revise the laws.

Administrative reform is related to the problem of organizing local administration. For example, should there be precinct- and district-level people's councils? Issues such as transferring and dismissing chairmen of provincial and municipal people's committees touch on the constitution, but these issues are being studied.

[Hong Phuong, deputy secretary of the Municipal Reporters Association] Recently, delineating and disbanding things have become issues nationwide. Why isn't there a unified policy for the entire country?

[Trinh] That is a major concern of ours. The government has discussed this and agrees that the most effective measure is to implement a policy of paying adequate compensation to the people. There will be a number of foreign investment projects, and much compensation will be paid to the people. This morning, at a government meeting, Vice Premier Phan Van Khai said that there have been cases in which the compensation paid to the people has been reduced. The government is requiring that the localities and sectors refrain from reducing the compensation of these people.

[TUOI TRE] The constitution has stipulations on buying assets of the people. Why hasn't the government submitted a purchase law instead of continuing to use that disbanding and compensation form, which is not unified?

[Trinh] To date, no organization has submitted a draft purchase law. In my view, the constitution stipulates this and so there must be a law to provide guidance. [Trinh ends]

Minister Le Xuan Trinh also said that the premier is very concerned about other issues raised in the press.

TUOI TRE, THANH NIEN, LAO DONG, and PHU NU have published stories about a number of negative cases and losses at various corporations such as Liksin, the Ben Thanh Tobacco Corporation, and the Hung Vuong Refrigeration Corporation. The premier is directly guiding the Municipal People's Committee which is reporting on and dealing with these cases. In particular, the premier is very interested in the series of stories on the customs office that have appeared in TUOI TRE. The premier has ordered that the customs office be reorganized. Minister Le Xuan Trinh also criticized a number of newspapers that have published inaccurate stories. Some newspapers have published corrections, but others have not yet done so.

* Energy Minister on Achievements, 1994 Plans

942E0035A Hanoi TAP CHI NANG LUONG in Vietnamese Jan 94 pp 1, 4

[Article by Kieu Xuan Sang]

[Text] Editor's note: At the end of 1993, Minister of Energy Thai Phung Ne answered a number of reporters' questions about the implementation of the 1993 plan and the 1994 tasks of the energy sector. The following are some of the ideas of the minister.

I. The Implementation of the 1993 Plan

1. On electricity production and supply:

In 1993, both production and commodity electricity supplied to satisfy economic and social needs exceeded the plan and increased as compared with 1992. Production electricity reached 10.641 billion kwh, 5.29 percent above the planned norm and an increase of 10.25 percent as compared with 1992. Commodity electricity reached 7.794 billion kwh, 4.14 percent above the planned norm and an increase of 12.45 percent as compared with 1992.

The program to overcome electricity shortages in southern and central Vietnam was carried on actively. In the south, as a result of adding another 100-mw gas turbine and filling the reservoirs of the Tri An and Da Nhim hydroelectric plants at the end of last year and because of the measures used to mobilize the various sources of electricity, both production and supply electricity exceeded the plan and increased greatly as compared with 1992. Specifically, production electricity exceeded the plan by 9.18 percent and increased 16.48 percent as compared with 1992, and commodity electricity exceeded the plan by 8.71 percent and increased 16.69 percent as compared with 1992. This ensured a normal supply of electricity during the dry season and prevented electricity blackouts as in previous years. In central Vietnam, too, the distribution of electricity improved because of the use of measures to strengthen obtaining electricity from the northern system and bring electricity to Quang Ngai and Binh Dinh in conjunction with regulating the diesel sources of electricity among the regions. Because of this, as compared with 1992, the electricity received and produced increased 18.48 percent and commodity electricity increased 17.6 percent.

Bringing electricity to rural and mountainous areas has continued to expand. At present, more than 81 percent of the districts and more than 55 percent of the villages in the country are receiving electricity from the national electricity network.

The sector has coordinated things with the localities in order to expand the program to reduce electric energy losses. Very encouraging initial results have been achieved in key areas: In Haiphong City, January energy losses in Haiphong City amounted to 52.66 percent, but by November the figure had dropped to 29 percent. In Hanoi, January losses amounted to 31.4 percent, but by November, this had declined to 23.5 percent.

Using many guidance and control measures, the sector has striven to reduce the planned deficit as much as possible. In addition to the 100 billion dong contributed to reduced the deficit, efforts have been made to further reduce the deficit in order to create sources of investment capital for a number of urgent capital construction projects.

The sector must continue to strive to reduce the electricity loss norm (in the north it is now higher than the norm set); reduce failure rates, improve safety, and increase the prestige of the electricity network, particularly that of the electricity distribution network; and control the price of electricity sold retail to consumers in rural areas.

2. On coal production and supply:

Even though there are many difficulties concerning distribution markets (within the country, the thermoelectric plants still use very small amounts of coal, and coal exports are limited because of many factors), because the coal sector has used many control measures, such as increasing internal sales to households outside the electricity sector and exporting small amounts and gradually raising domestic coal prices to almost the level of production costs, the amount of washed coal produced and sold has exceeded the planned norm and increased as compared with 1992. The amount of washed coal produced reached 4.768 million tons, which is 100.5 percent of the planned norm and a 6-percent increase as compared with 1992. The amount of washed coal sold reached 5.032 million tons, which is 100.3 percent of the planned norm and a 3.7-percent increase as compared with 1992. The value of coal sales revenues increased 5.4 percent as compared with the plan, thereby contributing to reducing the difficulties with respect to financial balance in production and the incomes of the laborers.

The sector and localities have coordinated things to continue restoring order in coal production and circulation based on mine boundaries.

There are many reasons for the problems now confronting the coal sector. In particular, because of fluctuations in the world coal market in 1993, coal exports did not reach the planned norm and declined as compared with 1992. Because of the lack of financial balance, it has not been possible to remove the volume of overburden and dig the number of shafts in accord with the technical requirements in the mining process, and this has affected the preparation of natural resources.

3. On capital construction:

In 1993, with the concentration of state investments, the energy sector implemented a large number of capital construction projects:

Sources of electricity: Turbines 6 and 7 of the Hoa Binh hydroelectric plant were put on line, and preparations were made for putting the final turbine into operation by the beginning of 1994. The Thac Mo hydroelectric project blocked the Be River in December 1993. Together with the Vinh Son hydroelectric plant, construction on this plant is progressing based on a schedule of putting turbine 1 into operation in June 1994 and completing construction on the project by the end of 1994. Construction on the Yaly hydroelectric project got underway at the beginning of November 1993. Electricity projects to support the 1994 dry season in the south, which include the Ba Ria 100-mw gas turbine group and the Ba Ria-Long Binh 220-kv landline, are being constructed at a rapid pace. Three large projects to help satisfy electricity needs during the period 1996-2000 and in the future are the Phu My thermoelectric project (600 mw), the Pha Lai II thermoelectric project (600 mw), and the Ham Thuan-Da Mi hydroelectric group (472 mw). Efforts have been concentrated on carrying out procedures in order to take ODA [Official Development Assistance] loans from the Japanese Government.

The electricity network: Construction on the 500-kv north-south electricity carrier system has been stepped up. The technical plans have been completed, and an overall estimate has been submitted to the premier. Contracts for importing materials and equipment have been signed, and except for the electric cable, which arrived late, almost all of the project materials and equipment arrived on time. As for construction, in December 1993, the foundation was completed, and the pillars were erected (including the reinforcements). Stretching the carrier lines and lighting arrester lines was basically completed. Some of the construction work on the four transformer stations, one compensation station, and national electricity moderating center has been completed, and some of the equipment has been installed. Along with the rate of construction on the 500-kv system, construction is urgently being carried on on the connecting projects, landlines, and synchronized 110- and 220-kv stations with the above sources in order to use the 500-kv carrier system to supply electricity to southern and central Vietnam and the Central Highlands. In 1993, many projects to supply electricity to localities in northern, central, and southern Vietnam were completed. This included many projects to supply electricity to rural and mountainous areas.

The coal sector has invested using the loan mechanism in order to remove overburden and dig shafts. Work has begun on the Nam Cau Trang tipple and the Tay Khe Sim tunnel, preparations have been made to build the La Hien cement plant and plants to produce explosives and process coal, and a number of other support projects have been built.

In the capital construction activities of the energy sector, the sector has begun broadly implementing a bidding mechanism and welcoming competition in supplying materials and equipment in order to reduce costs, ensure quality, and maintain the rate of construction on the projects.

4. On machine production:

The production of the machine installations has continued to be shifted in the direction of manufacturing equipment to support the projects to develop energy and vary the products based on market needs, such as machining and electroplating electric rods for the 500-kv and 110- and 220-kv carrier projects, producing carrier lines, lightening arrester lines, and insulated cable, machining pressure tubes for the hydroelectric plants, manufacturing high-voltage circuit breakers, spare parts, annexes, and so on to support the production and construction activities of the electricity and coal sectors.

5. Other spheres:

Finances: State budget receipts have been maintained, and as mentioned above, an effort has been made to reduce the planned deficit by hundreds of billions of dong.

Fighting corruption and opposing negative aspects: Inspections have been conducted, and 18,698 cases of corruption and other negative activities have been dealt with. Among these were 8 cases of embezzlement, 293 cases of people intentionally damaging state property, and 18,397 violations in supplying and using electricity (most involved stealing electricity or helping others steal electricity for personal interests). A total of 19.451 billion dong has been recovered for the public fund, and 635 people have been disciplined, 11 of whom were prosecuted by judicial organizations. Those disciplined included 11 enterprise directors and deputy directors, 3 corporation directors and deputy directors, and 16 heads and deputy heads of corporation and enterprise offices.

Management organization: the enterprises have been reorganized and registered. In the entire sector, there are 20 state enterprises, with the electricity and coal sectors each having 10 enterprises.

II. 1994 Guidelines and Tasks

In order to hit the targets and complete the tasks of the 1991-1995 five-year plan in the remaining 2 years and contribute to successfully implementing the resolution of the seventh congress, in 1994 the energy sector will strive to hit the following targets and carry out the following main tasks:

1. Electricity production and supply:

The completion of the 500-kv north-south electricity carrier system will create a unified national electricity system, and electricity capacity will increase by almost 600 mw. The electricity sector will be able to maintain the supply of electricity based on the needs of the secondary carriers in the north, eliminate "electricity shortages" in the south (after phase 1 of the 500-kv carrier project is implemented at the beginning of the 2d quarter of 1994) and in central Vietnam (after the 500-kv carrier project is completed based on the designs at the end of 1994).

The 1994 plan estimates production electricity at 11.535 billion kwh, an increase of 8.4 percent as compared with 1993 and commodity electricity at 8.598 billion kwh, an increase of 10.3 percent as compared with 1993.

Developing new secondary carriers will be encouraged, and the program to electrify the rural and mountainous areas in order to support rural area economic and social development based on the spirit of the resolution of the Fifth Plenum of the CPV Central Committee will continue to be carried on. The results achieved in 1993 will be maintained and exploited, the program to eliminate the use of contract electricity will continue to be promoted, and electrical power losses, with Hanoi being the key point, will be reduced. The quality of operations control will be improved, the electricity networks will be repaired in order to reduce failure rates to the lowest level possible, and safety and confidence in supplying electricity will be increased. Along with the localities, the problems concerning rural electricity prices will gradually be solved.

2. Coal production and supply:

Domestic coal consumption needs will be satisfied, and emphasis will be placed on supplying coal to support the rural and mountain areas. The traditional coal export markets will be solidified, and new markets will be opened. The sale of coal in a disorderly manner will be overcome, and the preparation of base commodities will be maintained in order to stabilize the content capacity of the export coal. The amount of overburden removed and the number of shafts dug will be increased in preparation for production based on the technical requirements. Things will be coordinated with the localities in order to regularly maintain order in coal mining. The main coal production and supply norms for 1994 are: Washed coal for distribution, 4,885,000 tons, including 1.5 million tons for export; washed coal for production, 4,935,000 tons; overburden removed, 16,696,000 cubic meters; and shafts dug in preparation for production, 41,461 meters.

3. Capital construction:

Things will coordinated with the integrated state organizations in order to overcome the difficulties concerning capital and, in particular, the difficulties in switching to a mechanism in which entities borrow investment capital on their own. The main targets of the 1994 capital construction investment plan are:

Electricity: As for the 500-kv north-south carrier project, efforts will be made to complete phase 1 by the beginning of the 2d quarter of 1994 and complete phase 2 by the beginning of the 4th quarter. The Hoa Binh hydroelectric plant: Turbine No 8 will go into operation in the 1st quarter, and construction will be completed in 1994. The Thac Mo and Vinh Son hydroelectric plant: Turbine No 1 will go into operation in the 2d quarter and construction will be completed in 1994. The Yaly hydroelectric plant: Construction will proceed as scheduled, and turbine No 1 will be put into operation in 1998. The program to restore the Pha Lai, Uong Bi, and Ninh Binh thermoelectric plants will continue, and work on converting the Thu Duc thermoelectric plant to gas will be carried on. Work will get underway on the Phu My thermoelectric plant, and preparations for building the Ham Thuan-Da Mi hydroelectric plant and the Pha Lai thermoelectric plant will continue. Connecting projects and 110-220 kv networks will be constructed in line with the rate of construction on the 500-kv carrier system and other sources mentioned above. Investments will be concentrated on developing and expanding the electricity network in the rural and mountain areas in accord with the program to implement the resolution of the Fifth Plenum of the CPV Central Committee. Projects to improve the electricity networks in Hanoi, Haiphong, Nam Dinh and Ho Chi Minh City will be developed using loans from the World Bank, Asian Development Bank, and SIDA [Swedish International Development Agency].

Coal: Efforts will be concentrated on removing overburden and digging shafts in order to ready raw materials to satisfy needs in the coming years. Construction on the Nam Cau Trang tipple project, the Tay Khe Sim tunnel, the La Hien cement plant, and a number of other support projects will be stepped up.

4. Other sectors:

Machine production: A program to manufacture equipment for the 35-kv electricity network and equipment for 20-kv voltage levels will be implemented. Quality will be improved, and product production costs and machining and manufacturing costs will be reduced.

Based on reviewing things and gaining experience, anti-corruption activities will continue at all echelons and in all management and work spheres in the sector.

The policies will be studied in detail, and plans to organize strong state enterprise groups that can operate independently and effectively in a mechanism in which the ministry does not manage the energy sector will be formulated.

The Energy Sector—Four Major Events in 1994

1. Phase 1 of the 500-kv north-south carrier system will be completed at the beginning of the 2d quarter, and the entire project will be completed by the 4th quarter.

2. The final turbine (turbine No 8) of the Hoa Binh hydroelectric project will go into operation in the 1st quarter. The plant has a planned capacity of 1,920 MW.

3. Turbine No 1 of the Vinh Son hydroelectric project (with a capacity of 66 MW) and the turbine of the Thac Mo hydroelectric project (with a capacity of 150 MW) will be put into operation at the end of the 2d quarter. Construction on these two projects will be completed in 1994.

4. An effort will be made to block the Se San River at the Yaly dam, Yaly hydroelectric project.

* Ho Chi Minh City's Electrical Network Described

942E0034A Ho Chi Minh City THOI BAO KINH TE SAIGON in Vietnamese 20-26 Jan 94 p 38

[Article by Tan Duc]

[Text] In 1993, another 92 units with foreign investment capital and 1,425 private enterprises were established in Ho Chi Minh City, bringing the total number of joint enterprise and investment units to 288 and the total number of private enterprises to 2,208. The rate of increase in the number of new enterprises in these two spheres is almost double that of 1992. If the 288 joint enterprises and 2,208 private enterprises carry on operations simultaneously, they will certainly consume a huge amount of electricity. If Ho Chi Minh City's electricity distribution network can't satisfy the needs, everyone knows what will happen.

According to data disclosed by the Ho Chi Minh City Electric Power Service, the carrier capacity of the city's existing power net is approximately 420 megawatts, which is about 80 megawatts below consumption needs. Thus, there is already an imbalance between needs and carrier capacity. This is one of the things that has led to a drop in pressure and unexpected power outages, which has caused large losses for many production, business, and service installations. The Ho Chi Minh City Electric Power Service has calculated that electricity consumption in the city will increase to 600 and 700 megawatts by the end of 1994 and 1995 respectively. Because of this, unless immediate action is taken, Ho Chi Minh CIty will find itself in a situation in which it "doesn't know whether to laugh or cry." Because on one hand, the supply of electricity will have increased greatly, but on the other hand, electricity needs will have increased but the carrier capacity of the distribution network will not have the capabilities to satisfy those needs. Managers are aware of this, but it is beyond their power to do anything about it. Fortunately, since 1993, financial capabilities have allowed Ho Chi Minh City to begin implementing plans to make improvements on a large scale. On 31 March 1993, the Ministry of Energy finished examining the economic and technical arguments concerning the project to improve and expand the municipal electric power network, 1992-1995 phase. At the beginning of September 1993, the city decided to spend 151 billion dong to implement eight projects in the plan to improve and upgrade things in order to increase the carrier capacity of the electric power network to 700 megawatts. The project got underway during the 4th quarter of 1993 and will be completed by the end of 1994.

Tran Minh Quy, the man in charge of implementing the electric power network improvement project of the Ho Chi Minh CIty Electric Power Service, said that this is a major improvement project. The electric power sector is urgently implementing this. The things that must be done include:

Building thirty 15-kv lines from the intermediary stations, which includes 4.7 km of underground cable and 61.5 km of above-ground landlines.

Improving and upgrading 195 km of 15-kv landlines and laying another 40 km of new landlines.

Upgrading the low voltage from 100 volts to 220 volts for 600 zones.

Replacing 60 breakers and installing 91 controllers and 70 relays in order to improve eleven 15-kv breaker stations.

Besides this, in order to improve electricity safety among the people, the electricity sector will install an additional 5.9 km of 15-kv landlines and 48 km of low-voltage landlines, improve the other 55 km of low-voltage landlines, and build 62 low-voltage, 9,885 kva, stations. As part of the project to improve the electricity network, electrification will be carried out in six villages in six rural districts: Xuan Thoi Thuong in Hoc Mon District, Long Hoa in Can Gio District, Phuoc Kien in Nha Be District, Trung An in Cu Chi District, Binh Hung Hoa in Binh Chanh District, and Long Truong in Thu Duc District. In the villages in Xuan Thoi Thuong and Long Truong districts, construction got underway at the end of 1993.

As mentioned above, once the improvement project has been completed, the capacity of the Ho Chi Minh City electricity network will increase from 420 mw to 700 mw. But according to Tran Minh Quy, with just 151 billion dong, only one of the five problems now facing the city's electricity network can be solved, that is, the problem concerning carrier and distribution capabilities to satisfy electricity consumption needs and receive power from the new sources of generation. Only minor improvements will be made with respect to the other problems, that is, the quality of the electric power supplied, the confidence in the power supply, safety in electricity supply and use, and losses. In order to solve the above problems and ensure that consumption needs, which will reach 1,300 mw by the year 2000, are satisfied, the electricity sector has about 10 more projects that must be built, which will require investment capital of more than 2.4 trillion dong. The work to be done in 1995 will cost 470 billion dong.

The year 2000 is fast approaching, and the requirements imposed on the electricity sector are rather great. Obtaining capital to implement the plans is still a difficult problem. At present, the electricity sector is looking only at supplemental power funds and a small sum allocated from the municipal budget. Recently, representatives from the World Bank came to Ho Chi Minh City to survey things and study the capabilities for financing the projects to improve the municipal electricity network as part of the general financial program for the Vietnamese energy sector. In December 1993, World Bank representatives returned and issued a notice that the World Bank will send specialists to study the plans for improving and expanding the electricity network at a total cost of $44 million, of which the World Bank will finance $33 million. The draft study phase will conclude in 1994, and preparations for actually implementing things will get underway in 1995. With this financial aid, when added to the efforts of the locality, it is hoped that by the year 2000 Ho Chi Minh City will have the desired electricity carrier and distribution network.

Predicted Electricity Consumption Needs in Ho Chi Minh City (Unit: millions of kwh)

	1993		1995		2000	
Electricity Use Target	**Commodity Electricity**	**Electricity Received in the Network**	**Commodity Electricity**	**Electricity Received in the Network**	**Commodity Electricity**	**Electricity Received in the Network**
1. Light for daily life	657.5	792.9	836.6	984.2	1,710	1,930
2. Industry	1,094.5	1,318.4	1,691.6	1,990.1	3,460	3,905
3. Services	238.6	287.5	380.7	447.9	780	880
4. Agriculture	54.7	65.9	104.3	122.6	210	240
5. Other elements	16.3	19.6	19.2	22.6	40	45
Total	2,061.5	2,483.7	3,032.4	3,567.5	6,200	7,000

Source: Ho Chi Minh City Electric Power Service

Australia

Singaporian Minister Stresses Regional Stability

BK2903132194 Singapore Singapore Broadcasting Corporation in English 1100 GMT 29 Mar 94

[Text] Maintaining peace and security is the biggest challenge faced by countries in the region. The defense minister, Dr. Yeo Ning Hong, made this point at the airpower conference held in Australia today. He said the ability to manage tensions could prevent the Asia-Pacific from turning into a basin of turbulence and conflict. Dr. Yeo pointed out that the outlook in the region is not an entirely rosy one, with North Korea's nuclear ambition and the dispute over the Spratlys. With the uncertainties ahead, having a strong defense capability is important for each country. Dr. Yeo stressed that the relationship between the U.S., Japan, and China are instrumental to regional stability.

New Zealand

Thai Foreign Minister Makes Official Visit

BK2603150694 Bangkok Voice of Free Asia in Thai 1030 GMT 26 Mar 94

[Text] After his visit to Australia from 20 to 23 March, Foreign Minister Squadron Leader Prasong Sunsiri began his official visit to New Zealand from 24 to 27 March at the invitation of Donald McKinnon, deputy prime minister and foreign minister of New Zealand. The visit is aimed at strengthening bilateral relations between Thailand and New Zealand and exchanging views with New Zealand leaders on the situation in the Asia-Pacific region and the upcoming meeting of the ASEAN Regional Forum, or ARF, to be held in Bangkok in July.

On the first day of his visit in Wellington, the foreign minister paid courtesy calls on New Zealand leaders, namely Peter Captain, house speaker and national assembly chairman; James Bolger, prime minister; and David Lange, former prime minister of New Zealand; and had talks with his New Zealand counterpart, Donald McKinnon.

The foreign Minister said New Zealand leaders attached special significance to the efforts to strengthen relations with Thailand, especially regarding trade, investment, and tourism cooperation, for they believe that the future of New Zealand is closely bound up with Asian countries. In this connection, the foreign minister expressed support for New Zealand's Asia 2000 Program, under which New Zealand business people will visit Thailand and other countries in Asia to find ways of promoting investment cooperation.

The foreign minister suggested an increase in contacts between business circles, the setting up of Thai-New Zealand business council, and wider dissemination of trade and investment information as measures to promote trade and investment cooperation between the two countries, and the New Zealand side has agreed to take them up for further consideration.

The New Zealand side expressed its gratitude to Thailand for its support for New Zealand becoming a member of the UN Security Council in 1992 and expressed interest in joining the Treaty of Amity and Cooperation in Southeast Asia, or the Bali Treaty. The foreign minister promised to bring the matter up for consultations with the other ASEAN member countries.

The foreign minister praised the long-standing relations between the two countries and thanked New Zealand for the excellent reception rendered to Princess Sirinthon during her visit to Antarctica.

Touching on the ARF meeting, which Thailand will host in July, the deputy prime minister of New Zealand said the meeting is the most meaningful meeting this year because it will provide both an opportunity for leaders of big countries to meet each other and a forum for the discussion of the future and stability of the Asia-Pacific region.

The foreign minister noted that there should be a mechanism in the region to settle conflicts and act as a guarantee for regional stability. The New Zealand side agreed with him. The foreign minister also briefed his New Zealand hosts on the latest developments in Cambodia and Burma. The foreign minister told the New Zealand leaders that he, in his capacity as chairman of the ASEAN Standing Committee, will soon pay a visit to Burma at the invitation of the Burmese foreign minister and will consider inviting Burma as a guest of the host to attend the ASEAN annual meeting to be held in Thailand in July.

On the same day, the foreign minister met with Thai residents in Wellington and briefed them on the latest developments in Thailand and answered their questions on tourism promotion and the environment in Thailand. During his meetings with the New Zealand leaders, the foreign minister asked them to look after the well-being of the Thai residents who are there to earn their living, pursue higher education, and do business. The New Zealand leaders promised that Thai residents would be accorded fair and proper treatment.

The foreign minister received a warm and respectful reception during his visit. The foreign minister also extended his invitation to the New Zealand foreign minister to visit Thailand.